# LAWS OF FLORIDA

RELATING TO

# CORPORATIONS

H. CLAY CRAWFORD
Secretary of State

1921

T. J. APPLEYARD, PRINTER, TALLAHASSEE, FLORIDA

# Laws of Florida Relating to Corporations

Section numbers, where not otherwise stated, are the same as those in the Revised General Statutes.

## GENERAL PROVISIONS.

**4045.** (2643.) **This Title Extends to All Corporations.**—The provisions of this title shall extend to all corporations, whether chartered by special act of the Legislature or under general law in their respective classes, but shall not in anywise affect the validity of any incorporation heretofore created.

**4046.** (2644.) **Corporations Not Dissolved by Failure to Elect Officers.**—No corporations shall be deemed to be dissolved by failure to elect or appoint officers on the given day, but the officers previously elected or appointed shall hold their offices until the qualification of their successors.

**4047.** (2645.) **Inherent Powers.**—Every corporation by virtue of its existence as such shall have power:

1. To have succession by its corporate name for the period limited in its charter, and when no period is limited, perpetually.

2. To sue and be sued in any court of law or equity.

3. To make contracts and to adopt and use a common seal and alter the same at pleasure.

4. Where special provision is not made by law or otherwise, to hold, buy, convey or mortgage such personal or real estate as the purposes of the corporation shall require, also to take hold and convey such other real and personal property as shall be necessary for the corporation to acquire in order to obtain or secure the payment of any indebtedness or liability to it.

5. To appoint such subordinate officers and agents as the affairs of the corporation shall require, and to allow them suitable compensation.

6. To make by-laws.

7. To increase or diminish by a vote of its members, cast as the by-laws may direct, the number of directors, managers or trustees, so, however, that the number shall not be less than three, nor more than thirteen.

**4048.** (2646.) **Right to Borrow Money.**—All corporations of this State shall have the right to borrow such sums of money at such rates of interest, and upon such terms as the company or its board of directors shall authorize or agree upon, and may deem necessary or expedient, and to execute one or more trust deeds or mortgages, or both, as the occasion may require, of all their property, real and personal, constructed, or in process of construction, for the amount or amounts borrowed or owing by such company, as its board of directors shall deem expedient; and such company may make such provisions in such trust deed or mortgage for transferring their property, real and personal, corporeal and incorporeal, rights, privileges, franchises, immunities, machinery, houses, rolling stock, furniture, tools, implements, appendages and appurtenances used in connection with its business in any manner whatsoever, then belonging to the said company, or which shall thereafter belong to it, as security for any bonds, debts or sums of money as may be secured by such trust deed or mortgage, as they shall think proper, and in case of sale of any of the property of such corporation, or any part thereof, constructed or in course of construction, by virtue of any trust deed of any foreclosure of any mortgage thereon, the party or parties acquiring title under such, and their associates, successors or assigns, shall have or acquire thereby, and shall exercise and enjoy thereafter the same rights, privileges, grants, franchises, immunities and advantages in or by said trust deed or mortgage enumerated or conveyed which belonged to and were enjoyed by the company making such trust deed or mortgage, or contracting such debt, so far as the same relate or appertain to that portion of its property mentioned or described or conveyed by said mortgage or trust deed, and no further, as fully and absolutely in all respects as the corporators, office

holders, shareholders and agents of such company might or could have done had not such sale or purchase taken place; and such purchasers, their associates, successors or assigns, may become incorporated as provided by law.

The provisions of this section shall apply to all corporations, whether incorporated heretofore, or that may be incorporated hereafter, or whether mortgages or trust deeds have been by such corporations heretofore executed and delivered or that may be so executed and delivered hereafter.

**4049.** (2647.) **Number of Incorporators.**—Any three or more persons may associate themselves and become incorporated for the transaction of any lawful business of a public or private character, including all works of internal improvement.

## METHOD OF INCORPORATION.

**4050. (2648.) Requisites of Proposed Charter.**—The proposed charter of an intended corporation must be subscribed by three or more persons, and shall set forth:

1. The name of the corporation and the place or places of business.

2. The general nature of the business or businesses to be transacted.

3. The amount of the capital stock authorized, the number and par value of the shares into which it is divided and the terms and conditions upon which it is to be paid in.

4. The term for which it is to exist.

5. By what officers the business or businesses of the company is to be conducted, and the times at which they will be elected and the names of the officers who are to conduct the business or businesses until those elected at the first election shall be qualified.

6. The highest amount of indebtedness or liability to which the corporation can at any time subject itself.

7. The names and residences of the subscribers.

The subscribing incorporators must state the amount of stock subscribed for by each, the total amount so sub-

scribed to be not less than ten per cent .of the capital stock authorized; and from and after the issuance of letters patent, each of said subscribers shall be liable as if the subscription had been made after the issusance of the letters. Each of such subscribers shall acknowledge his signature before some officer authorized to take acknowledgments of deeds.

**4051.** (2649.) **Notice of Intention to Apply for Letters-Patent.**—The proposed charter, together with notice of the intention to apply to the Governor for letters-patent thereon, shall be published at least one time in some newspaper published in the county where the place of business is to be located, which notice shall be signed with the names of at least three of the subscribers, and shall recite that upon some fixed day not less than five days after the day of such publication application shall be made to the Governor for issuance of letters-patent thereon; and the original of said proposed charter shall be upon file in the office of the Secretary of State for at least five days before presentation of same to the Governor for issuance of letters patent thereon. (As amended by Chapter 8460, Acts of 1921.)

**4052.** (2650.) **Issue and Delivery of Letters Patent.**—The proposed charter, accompanied by the proof of publication of notice shall then be produced to the Governor, who shall examine the same, and if he find it to be in proper form, and for an object authorized by law, and that due notice has been given, letters patent shall issue incorporating the subscribers, their associates and successors, into a body politic and corporate, in deed and in law, by the name chosen, for the purposes and upon the terms named in the charter. The Secretary of State shall annex to the letters patent a certified copy of the charter, retaining the original on file, and before delivering the Letters Patent, shall record them and the charter in a book kept for that purpose and shall receive from the corporation, before such delivery, in addition to such fees as are allowed by law, a charter fee graded as follows: Two dollars upon each one thousand dollars of the capital stock of such corporation: Provided, That no such charter fee shall be less than five dollars nor more than two hundred and fifty dollars; and, Provided further, That all corporations hereafter created by special act of the Legislature shall pay into the State Treasury the special char-

ter fee provided for in this section before they shall be deemed legally incorporated; and, Provided further, That no corporation shall be authorized to increase its capital stock without paying to the Secretary of State the charter fees provided by the foregoing schedule upon such increase of stock.

4053. (2651.) **Letters Patent and Charter or Copies to be Evidence.**—The letters patent or a certified copy thereof given by the Secretary of State under the great seal, shall be conclusive evidence of the existence of the corporation in all actions and proceedings where the question of its existence is only collaterally involved, and prima facie evidence in all other actions and proceedings. The original charter with the certificate of the recording thereof in the office of the Secretary of State endorsed thereon, or a copy from the record thereof certified by the Secretary of State, shall be evidence of the contents of the charter in all actions and proceedings.

4054. 2652.) **Corporations Not to Transact Business Until Certain Requisites Complied With.**—No corporation shall transact any business until it has had the letters-patent with a certified copy of the charter recorded in the office of the Clerk of the Circuit Court of the County wherein the principal place of business is located, and has also filed with the Secretary of State and with said Clerk (except in the case of building and loan associations) duplicate affidavits by its treasurer that ten per cent of its capital stock has been subscribed and paid. If any corporation shall transact any business before complying with these requirements, or if any corporation chartered by a special act of the Legislature shall transact any business before filing said duplicate affidavits and paying the charter fees required by law to the Secretary of State for the State Treasury, its officers and directors, or in the latter case its incorporators, officers and directors, shall be personally liable for all of the corporation debts as if they were members of a general partnership and not stockholders of a corporation. (As amended by Chapter 8460, Acts of 1921.)

## CAPITAL STOCK.

**4056.** (2653.) **Par Value and Payment of Subscription.**—The capital stock of all corporations shall be divided into shares of not less than ten dollars each, and all payments of stock and of interest money shall be made in lawful money of the United States unless it be stated in the charter that the capital stock or some therein designated portion of the stock shall be payable in property, labor or services at a just valuation to be fixed by the incorporators, or by the directors at a meeting called for such purpose. Property, labor or services may also be purchased or paid for with capital stock at a just valuation of such property, labor or services, to be fixed by the directors of the company at a meeting called for such purpose. Every corporation shall have power to create two or more kinds of stock of such classes, with such designations, preferences, and voting powers, or restriction or qualification thereof, as shall be stated and expressed in the charter; and the power to increase or decrease the stock, as is provided by law; but at no time shall the total amount of the preferred stock exceed two-thirds of the actual capital paid in cash or property; and such preferred stock may, if desired, be made subject to redemption at not less than par, at a fixed time and price, to be expressed in the certificate thereof, and the holders thereof shall be entitled to receive, and the corporation shall be bound to pay thereon, a fixed yearly dividend to be expressed in the certificate, not exceeding eight per centum, payable quarterly, half yearly or yearly, before any dividends shall be set apart or paid on the common stock, and such dividends may be made cumulative; and in no event shall a holder of preferred stock be personally liable for the debts of the corporation; but in case of insolvency, its debts or other liabilities shall be paid in preference to the preferred stock.

Unless its original or amended charter shall so provide, no corporation shall create preferred stock. Stockholders meetings and meetings of Board of Directors may be held in or out of the State of Florida. (As amended by Chapter 8460, Acts of 1921.)

**4057.** (2654.) **Directors to Make Calls for Payments.**—The directors may require the subscribers to the capital stock to pay the amounts by them respectively subscribed

in such manner and in such installments as may be required in the charter or by-laws. If any stockholder neglect to pay any installment, so required, the directors may in accordance with the provisions to be made in the by-laws forfeit and sell his stock, and shall apply the proceeds to the expenses of sale to the unpaid installments, returning the balance, if any, to the delinquent stockholder.

**4058.** (2655.) **Stock to be Personal Estate.**—The stock of every corporation shall be deemed personal estate.

**4059.** (2656.) **Transfer.**—Stock shall be transferrable in the manner prescribed in the by-laws, but no stock shall be transferred until all previous assessments thereon shall have been fully paid in. Every person becoming a stockholder by such transfer shall, in proportion to his stock, succeed to all the rights and liabilities of the prior holder.

**4060.** (2657.) **Executors, Etc.; No Personal Liability for Calls.**—No person holding stock as executor, administrator, guardian or trustee shall be personally liable as stockholder for any calls or installments on part paid stock, but the estate and funds in his hands shall be liable in like manner and to the same extent as the testator, intestate, ward or cestui que trust would be, if he had been living or competent to buy and hold the same stock in his own name.

**4061.** (2658.) **Treasurer to Keep List of Stockholders.**—The treasurer or cashier shall keep an accurate list of the stockholders with the number of shares owned by each, which shall at all times upon written application by any stockholder be open to his inspection, and if such officer refuse to exhibit the list, he shall forfeit fifty dollars for each offense to be deducted from his salary.

**4062.** (2659.) **Return of Stock and Stockholders to Comptroller.**—The treasurer or cashier, or in the absence of such officers, the president or directors, shall annually make a return to the State Comptroller, containing the name and residence of each stockholder with the number of shares belonging to him and the par and cash market value of such shares, and shall also state the whole amount of the capital stock and the amount actually paid in; and the real estate subject to assessment for taxes and the personal estate, and if such officers refuse or neglect

to make such return, the corporation shall forfeit the sum of not less than one hundred dollars for each offense to the use of the State, to be recovered in any action of tort.

**4063.** (2660.) **Transfer to Avoid Taxation.**—If any stockholder fraudulently transfers stock to avoid taxation, he shall forfeit to the use of the State one-half of the par value of the stock thus transferred and if he knowingly misinform the corporation in any way to impede or prevent the assessment for collection of his tax, he shall forfeit to the State a sum not less than one hundred dollars nor more than five hundred dollars, the said sums to be recovered by action of tort.

**4064.** (2661.) **Stock Statement to be Filed with Comptroller.**—A statement of the amount of the capital stock subscribed and of the amount actually paid in and of the indebtedness of the corporation shall be filed once in six months in the office of the State Comptroller or oftener whenever the Comptroller shall direct.

## BY-LAWS.

**4074.** (2662.) **By-Laws.**—The by-laws shall be taken and deemed to be the law of the corporation subordinate to its charter and the Constitution and laws of this State and of the United States. They shall be made by the stockholders at the first annual meeting or at any special meeting called for that purpose, unless the charter shall prescribe the time and place of meetings of the corporation, the powers and duties of its officials, and such other matters as may be pertinent and necessary for the business to be transacted, and may contain penalties not exceeding twenty-five dollars in amount for the breach thereof.

## OFFICERS.

**4075.** (2663.) **Officers.—Choice, Term and Number.**—The business of the corporation shall be managed and conducted by a president, a board of directors, a treasurer or cashier and such other officers and agents as the corporation may authorize. The directors shall be chosen annually by the stockholders at the time fixed in the charter; they shall be stockholders qualified to vote at the election at which they are chosen. The manner of the

choice and of the choice of all other agents and officers shall be prescribed by the by-laws. One of the directors shall be chosen president by the directors or by the stockholders, as the by-laws shall direct. The stockholders may, at a meeting called for that purpose, determine, fix or change the number of directors that shall be necessary to constitute a quorum.

**4076.** (2664.) **Vacancies.**—In case of the death, removal or resignation of the president or treasurer or other officer, or of any of the directors, the remaining directors may supply the vacancy thus created until the next election.

**4077.** (2665.) **Time of Election.**—All officers who are to be elected by the stockholders shall be elected on the day appointed by the charter for that purpose, but if from any cause an election shall not be held on that day, the corporation shall not on that account be dissolved, but an election shall be called by the directors as soon as practicable thereafter, due notice of the meeting for that purpose being given according to law.

## MEETINGS.

**4078.** (2666.) **Stockholders' and Directors' Meeting; Notice.**—The time, place and manner of calling stockholders' meetings (except when regulated by law or by the charter), or meetings of the directors, shall be fixed by the by-laws, but notice of stockholders' meetings shall always be published in a newspaper of the county wherein the place of business is located, for at least two weeks, once each week, before such meeting, and where a stockholder's residence is known, a notice shall also be served on him personally or mailed to his usual postoffice address at least two weeks before the meeting.

**4079.** (2667.) **Meetings Called by Justice of the Peace.**—Whenever from want of sufficient by-laws, or of officers duly authorized, or from neglect or refusal of such officers, or from any other legal impediment, a legal meeting of any corporation cannot otherwise be called, any justice of the peace in the county wherein it is desirable to hold such meeting, on a written application of stockholders holding one-third of the stock, may issue a warrant to any

of said stockholders directing him to call a meeting of the corporation by giving the usual notice.

**4080.** (2668.) **Same—Presiding Officer.**—When a meeting is called by such warrant, the person to whom the warrant is directed shall preside until a presiding officer be chosen, if there be no officer present whose duty it may be to preside.

**4081.** (2669.) **How Meeting May Be Held When Not Legally Called.**—When stockholders who hold four-fifths of the stock shall be present at a meeting, however called or notified, and shall sign a written consent thereto on the record of the meeting, the acts of such meeting shall be as valid as if legally called and notfied.

**4082.** (2670.) **Quorum.**—A majority of the stock shall constitute a quorum at stockholders' meetings.

**4083.** (2671.) **Voting—Proxies.**—In all elections of officers and in deciding all questions at stockholders' meetings, each stockholder shall be entitled to one vote on each share of stock held by him, but no stockholder whose liability for unpaid assessments or calls is past due shall be allowed to vote. Stockholders may vote by proxy, duly authorized in writing.

## RECORDS.

**4084. (2672.) To Be Open for Inspection.**—The secretary or other officer or agent of a corporation, who by the by-laws is made the custodian of its books, records, papers or other property, shall keep the same in his possession, and at all times during business hours have the same ready to be exhibited to any officer, director or committee appointed by the stockholders representing one-tenth of all the subscribed stock, and shall furnish them, or either of them, transcripts from the records of proceedings of the board of directors under his official hand and seal on the payment to him of the same fee as that required by law to the clerk of the circuit court for transcripts from the records of his office; and the said custodian shall on resigning his office, or otherwise vacating the same, make over all such books, records, papers, and all other property of the corporation which are in his possession to his successor in office, or where no suc-

cessor has been appointed or elected, to the Board of Directors, if any, or to the person or persons appointed by the stockholders; and such custodian on being duly subpoenaed to appear as a witness in any case on trial in any court of justice in this State shall attend and produce such books and records of the corporation as may be demanded in such subpoena, to be used on such trial.

## INCREASE AND REDUCTION OF CAPITAL STOCK.

**4085.** (2673.) **Method of Increase.**—Any corporation may increase its capital stock to any amount by holding an election of the stockholders at its place of business, having published notice of the time and place and object of the meeting once a week for four weeks prior thereto, in one newspaper published in the county, and having served or mailed the usual notice for stockholders' meetings; and if at such meeting two-thirds of all the stockholders in the corporation shall vote to increase the capital stock, it shall be the duty of the president within thirty days thereafter to make a return to the Secretary of State, under oath, of the amount of such increase, and the terms on which such additional stock is issued, and from the time the said return is filed the increase of stock shall be authorized and when issued shall become a part of the capital.

**4086.** (2674.) **Method of Reduction.**—Any corporation may reduce its capital stock, or reduce the par value of the shares thereof, within the limits allowed by law, by a two-thirds vote of the stock, in the same manner as is provided for the increase of capital stock, with the certificate of the State Comptroller endorsed upon the affidavit that, in his judgment the ability of the corporation to meet its outstanding indebtedness and liabilities will not be impaired thereby.

## AMENDMENT OF CHARTER AND CHANGE OF NAME.

**4087.** (2675.) **Method of Amending Charter.**—Any corporation desiring to alter or amend its charter shall adopt the proposed alteration or amendment by a vote of three-fourths of all its stock, at a meeting held for that purpose, and called and notified as provided for meetings for

increase of capital stock. If the proposed alteration or amendment shall be so adopted, the corporation shall give four weeks' notice once each week of the intention to apply to the Governor therefor, in some newspaper published in the county wherein the principal place of business is located, setting forth the desired alteration or amendment. The corporation shall prepare a certificate, under the common seal, of the proposed alteration or amendment as adopted as aforesaid, which certificate shall be on file in the Secretary of State's office during the time of publication, and afterwards, together with the proof of publication and notice, shall be produced to the Governor, who shall examine the same, and if he find it to be in proper form, and that due notice has been given, and that the proposed alteration or amendment will be beneficial and lawful, and not injurious to the community and is in accord with the purposes of the charter, he shall approve thereof, and thereupon letters patent shall issue reciting the alteration, or amendment, and the said letters patent shall then be recorded in the Secretary of State's office and then in the office of the clerk of the circuit court where the original charter was recorded, and from the date of the recording in the Secretary of State's office, the said alteration or amendment shall be deemed and taken as a part of the charter.

**4088.** (2676.) **Change of Name.**—Any corporation desiring to change its name may so resolve at any general meeting of the stockholders, and upon filing a certificate of the resolution under the common seal, in the office of the Secretary of State, letters patent shall issue, reciting the change of name, which letters patent shall be recorded as provided in the last section. No two corporations shall bear the same corporate name.

## EXECUTION.

**4089.** (2677.) **May Issue Against Stockholders.**—If any execution shall issue against the property or effects of any corporation, and there cannot be found whereon to levy, then such execution may be issued against any of the stockholders to an extent equal in amount for so much as may remain unpaid upon their subscription to capital stock and no further.

**4090.** (2678.) **Custodian of Records to Give Sheriff Necessary Information.**—The clerk or other officer having charge of the books, records and papers of any corporation, on demand of any officer holding execution against the same, shall furnish such officer with the name, places of residence and the amount of liability of every person liable as aforesaid, and if such officer refuses so to do he shall, upon complaint thereof, be liable to a fine not exceeding five hundred dollars.

## DISSOLUTION.

**4091.** (2679.) **Dissolution on Application of Majority.**—When a majority in interest of the stockholders of a corporation desire to close their concerns, they may apply by petition to the circuit court, setting forth the grounds of their application, and the court on due notice by publication for a reasonable period given to all parties interested, may hear the matter, and for a reasonable and just cause decree a dissolution of the corporation, and the corporation so dissolved shall be deemed and held extinct in all respects as if its charter had expired by its own limitation, and the settlement of the affairs of such corporation so dissolved shall be managed as prescribed in cases of voluntary dissolution in Section 4094.

**4092.** (2680.) **Corporate Existence Continued for Purposes of Settlement.**—All corporations shall continue bodies corporate for the term of three years after the time of dissolution from any cause, for the purpose of prosecuting or defending suits by or against them and enabling them to gradually settle their concerns, to dispose of and convey their property and to divide their capital stock, but for no other purpose.

**4093.** (2681.) **Stockholders' Liability for Debts Unpaid at Dissolution.**—If any corporation dissolve leaving debts unpaid, suits may be brought against any persons who were stockholders at the time of such dissolution, without joining the corporation in such suit, for so much as may remain unpaid upon his or her subscription and no further, the collection to be made from the stock of each stockholder respectively only, and if any number of stockholders (defendants in the case) shall not have property enough in stock to satisfy his or their portion of the execution, then the amount of deficiency shall be

divided equally among all the remaining stockholders and collections made accordingly, deducting from the amount a sum in proportion to the amount remaining unpaid on the plaintiff's subscription at the time the corporation dissolved.

**4094.** (2682.) **Proceedings on Voluntary or Other Dissolution.**—Upon the voluntary dissolution of any corporation already created, or which may hereafter be created by the laws of this State, the President and directors at the time of its dissolution, shall be trustees of such corporation, with full power to settle its affairs, collect its outstanding debts, and divide the moneys and other property among the stockholders, after paying the debts due and owing by such corporation at the time of its dissolution as far as such money and property will enable them; they may sue for and recover such debts and property by the name of the trustees of such corporation, and may also be sued by the same, and such trustees shall be jointly and severally responsible to the creditors and stockholders of such corporation, to the extent of its property and effects that shall have come into their hands, but in the event of dissolution from any other cause a petition may be filed in the circuit court by any three or more creditors or stockholders of any corporation, praying that a receiver be appointed and the court, or judge thereof at chambers, shall hear and consider said petition, and for just and reasonable grounds shall grant said petition and appoint a receiver, and unless the president and directors of such corporation shall swear that the corporation is solvent and exhibit proof of the same satisfactory to the court or judge, such petition shall be granted and a receiver appointed; but no voluntary dissolution shall be made or permitted after the institution of any suit or proceeding against any corporation for an involuntary or forced dissolution.

## MISCELLANEOUS.

**2582.** (1386.) **Suits Against Corporations.** — Suits against domestic corporations shall be commenced only in the county (or justice's district) where such corporation shall have or usually keep an office for the transaction of its customary business, or where the cause of action accrued, or where the property in litigation is;

and in the case of companies incorporated in other States or countries and doing business in this State suits shall be commenced in a county or justice's district wherein such company may have an agent or other representative, or where the cause of action accrued, or where the property in litigation is situated.

**2822.** (1618.) **Subject to Levy.**— * * * Stock in corporations shall be subject to levy and sale under execution.

## EXECUTIONS AGAINST CORPORATIONS.

**2844.** (1640.) **Fi. Fa. Obtainable.**—Upon any judgment against any corporation, a plaintiff may sue out a fieri facias, and the writ of fieri facias may be levied as well on the current money as on the goods and chattels, lands and tenements of said corporation.

**2845.** (1641.) **Equitable Executions by Appointment of Receiver.**—If such writ cannot be satisfied in whole or in part for want of property of the defendant subject to levy and sale out of which to satisfy the same, upon petition of the judgment creditor, or of his agent or attorney, the circuit court sitting in chancery within whose circuit such corporation may have been doing business, or in which any of its effects are to be found, may by order sequestrate the property things in action, goods and chattels of such corporation for the purpose of enforcing such judgment and may appoint a receiver for the same, and the receiver so appointed shall be subject to the rules prescribed by law for receivers of the property of other judgment debtors. His power shall extend throughout the State.

**2846.** (1642.) **What Shares of Stock Subject to Levy.**—Shares of stock in any corporation incorporated by the laws of this State shall be subject to levy of attachments and executions, and to sale under executions on judgments or decrees of any court in this State.

**2847.** (1643.) **Manner of Levy.**—Attachments or executions may be levied on such shares by the sheriff, or other officer holding such process, exhibiting the same to the president, vice-president, general manager, or other chief officer, or to the officer having custody of the stock

books or transfer books of the corporation in which the attachment or judgment debtor may own shares of stock, and by informing such officer that a levy is thereby made upon such debtor's shares of stock in such corporation, and such sheriff or other officer shall endorse such levy on such proceeds.

**2848.** (1644.) **Officer May Require Exhibit of Stock.**—At the time of making such levy as aforesaid, the officer holding such process shall demand of the officer of the corporation to whom the process shall be exhibited a statement in writing of the number of shares of stock owned by such debtor in said corporation, together with the amount still due thereon. It shall be the duty of the said officer to furnish said statement at once to the said sheriff or other officer (who shall endorse the same on the said process); and any officer of any corporation refusing or failing to make such statement upon such demand, or making an untrue statement in response to such demand, shall be guilty of a misdemeanor, and shall, upon conviction, be fined a sum of not less than one hundred dollars or be imprisoned in the county jail not less than ten days.

**2849.** (1645.) **Stock Owned in Corporations, How Ascertained.**—If such attachment or execution creditor shall believe that the debtor owns shares of stock in said corporation at the time of the levy aforesaid, which do not appear in the answer of the officers of the corporation to the demand of the sheriff or other officer holding the process to belong to the said debtor, he may propound interrogatories to the officers of said corporation or any of them, and to the said debtor, touching the ownership of any shares of stock in said corporation by said debtor at the time of said levy; and the persons to whom such interrogatories are propounded shall be required to file their answers under oath to the same within ten days in the office of the clerk of the circuit court of said county. And if any person shall refuse to answer such interrogatories, or shall answer any of them untruly, he shall be guilty of a misdemeanor, and shall be fined not less than one hundred dollars or be imprisoned not less than ten days in the county jail. If the answers to said interrogatories shall state the ownership by the said debtor of stock in said corporation not disclosed by the answers of the officers of the said corporation made under Section 2848,

the sheriff or other officer holding the said process shall endorse thereon a description of said stock.

**2850.** (1646.) **Creditor to Furnish Description of Stock.**—If the creditor shall believe the answers of the officers of such corporation to the sheriff or other officer holding the process as aforesaid, and the answers of such officers of the corporation and the debtor to said interrogatories, to state untruly the stock owned by such debtors, he may furnish to the sheriff or other officer holding the process a description of the stock which he believes the debtor to own; and it shall be the duty of the sheriff or other officer to proceed to sell the debtor's interest in such stock as hereinafter provided.

**2851.** (1647.) **Effect of Levy.**—From the time of the levy of said process as provided in Section 2847, all the shares owned by the said debtor in such corporation, no matter how the description of it may be thereafter ascertained, shall be bound thereby, and no transfer of the same not then entered upon the transfer book of the said corporation shall be valid and effectual as against the levy of the said process. And if any person shall antedate or procure to be antedated any entry upon the books of said corporation for the purpose of avoiding the effect of the said levy he shall be guilty of a misdemeanor, and shall, upon conviction, be fined not less than one hundred dollars or imprisoned in the county jail not less than ten days.

**2852.** (1648.) **Sale and Manner of.**—Shares of stock levied upon as hereinbefore provided shall be sold in the same manner as other property levied upon. The notice of such sale shall contain a statement of the number of shares to be sold, the corporation in which said shares are held, the amount paid in thereon, and the amount unpaid. The sheriff or other officer conducting said sale shall execute to the purchaser thereat a bill of sale of said shares, and such bill of sale shall vest in the purchaser all the title of the judgment debtor; and upon the presentation of such bill of sale to the secretary or other officer controlling the transfer books of such corporation, it shall be his duty to transfer the said stock from the judgment debtor to the purchaser.

**4111.** (2683.) **Eminent Domain.**—The president and directors of any corporation organized for the purpose

of constructing, maintaining or operating public works, or their properly authorized agents, may enter upon any lands, public or private, necessary to the business contemplated in the charter and may appropriate the same, or may take from any land most convenient to their work, any timber, stone, earth or other material which may be necessary for the construction and the keeping in repair of its works and improvements upon making due compensation according to law to private owners.

**4112.** (2684.) **Constructing Dams for Water Power.**—Whenever any person, persons or corporation owning lands in this State on any water course, may desire to erect dams for furnishing power for a water grist mill, electric light power, or other machine for public utility, and shall not have the fee simple title to the lands on the opposite side thereof, against which the petitioner would abut his dam, or surrounding lands which would be overflowed thereby, he may proceed to condemn such affected lands under the provisions of law relating to the condemnation of lands for other purposes.

**4113.** (2685.) **Right of Electric Railway Companies.**—All electric railway companies operating or constructing any line of its railway outside the incorporated limits of cities or towns in this State, whether for the purpose of transporting passengers exclusively or not, shall have the same rights, powers and privileges of eminent domain as are now exercised and enjoyed by all railroad and canal companies in this State, as and with reference to and concerning the condemnation of public and private property for the right-of-way of such railroads and canals, and such electric railway companies shall have the right, privilege and authority to condemn and acquire such right-of-way for the construction of its lines in the same manner and by the use of the same process as is now prescribed by the laws of this State for the condemnation of right-of-way for railroads and canals, and each and every one of the laws of the State of Florida applying to the condemnation of right-of-way for railroads and canals in this State be and the same are, hereby made to apply to, govern and control the acquisition of such right-of-way by and for such electric railway companies.

**4114.** (2686.) **Right of Eminent Domain to Water Works Companies.**—Any corporation organized under

the laws of this State, either general or special, for the purpose of supplying any city, town, village, or the inhabitants thereof, or any community with water for domestic or sanitary purposes, or for fire protection, shall have the right, through its officers or agents, to enter upon any land, public or private, necessary to the business contemplated in its charter, and may appropriate the same; or may take from any land most convenient to its works any timber. stone, earth, water or material which may be necessary for the construction, operation, keeping in repair or preservation of such works, upon making due compensation according to law to private owners; and should such water works company derive its supply of water, or any part thereof, from any lake, pond or stream of water, whether surface or subterranean, it may, upon making compensation as above specified, to private owners, appropriate any land lying contiguous to such pond, lake or stream, necessary for the preservation or protection of said water from diversion or contamination.

**4115.** (2687.) **Estoppel.**—No body of persons acting as a corporation under this chapter shall be permitted to set up the want of legal organization as a defense to an action against them as a corporation, nor shall any person sued on a contract made with the corporation, or sued for an injury to its property or a wrong done to its interests, be permitted to set up a want of such legal organization in his defense.

**4116.** (2688.) **Misnomer.**—A misnomer of a corporation in any deed or instrument shall not vitiate the same if the corporation shall be therein sufficiently described to ascertain the intent of the parties, and this shall apply to all corporations of every character and for any lawful purpose.

**4117.** (2689.) **Corporation May Sue Members.**—All corporations by any suit at law may sue for, recover and receive from their respective members all arrears, or other debts, dues and other demands which may be owing to them, in like manner, mode and form as they might sue for and recover the same from any other person.

**4118.** (2690.) **Diversion of Funds.**—Diversion by a corporation of its funds or property to purposes or objects other than those named in the charter, or the payment of

dividends, leaving insufficient funds to meet outstanding liabilities, shall work a forfeiture of its charter and of all powers and privileges conferred.

**4119.** (2691.) **Dividend by Insolvent Corporation.**—If the directors shall knowingly declare and pay any dividend when the corporation is insolvent, or any dividend the payment of which would render it insolvent, they shall be jointly and severally liable for the debts of the corporation then existing to the extent of the dividends so declared. If, however, any director be absent at the time of making the dividend or shall at the time object thereto in writing he shall not be so liable.

**4120.** (2692.) **Provisions of This Chapter To Be General.**—The foregoing provisions shall apply to every class of corporation for profit, except as limited by the special provisions of the sub-chapters hereof.

## INCORPORATION OF CO-OPERATIVE ASSOCIATIONS.

**4421. Co-operative Associations Defined.**—For the purpose of this Sub-Chapter, the words "co-operative company, corporation or association" are defined to mean a company, corporation or association which authorizes the distribution in part or wholly, on the basis of, or in proportion to, the amount of property bought from or sold to members, and other customers, or of labor performed, or other services rendered to the corporation.

**4422. Number of Persons Required.**—Any number of persons, not less than ten, may be associated and incorporated for the co-operative transaction of any lawful business, irrigation ditches, bridges, and other works of internal improvement.

**4423. General Powers.**—Every co-operative corporation as such, has power: First—to have succession by its corporate name. Second—to sue and be sued, to complain and defend in the courts of law and equity. Third—to make and use a common seal, and alter same at pleasure. Fourth—to hold personal estate, and all such real estate as may be necessary for the legitimate business of the corporation. Fifth—to regulate and limit the right of stockholders to transfer their stock. Sixth—to appoint such subordinate officers and agents as the business of

the corporation shall require, and to allow them suitable compensation therefor. Seventh—to make by-laws, for the management of its affairs and provide therein the terms and limitations of stock ownership, and for the distribution of its earnings.

**4424.** The powers enumerated in the preceding section shall vest in every co-operative corporation in this State, whether the same be formed without, or by legislative enactment, although that may not be specified in the charter or in its articles of association.

**4425.** The fees for the incorporation of co-operative corporations or associations shall be the same amount as those provided for like capitalization of general corporations in the State of Florida; Provided that any co-operative corporation or association, being such under the definition given under Section 4421 is hereby authorized to file with the Secretary of State a declaration signed by its president and secretary stating that it is a co-operative corporation or association as above defined, who shall issue to said corporation a charter in the usual form, and from and after the filing of such declaration with the Secretary of State, and the issuance of said charter, it shall be entitled to the same legal recognition as other corporations organized under the laws of this State, and the fee for filing such declaration shall be two dollars.

**4426.** Be it further enacted that the stockholders of any co-operative association or business can under the provisions of this Sub-Chapter govern the association or business by purely co-operative custom, of one man, one vote, this however to be left optionary with the stockholders of the Association.

---

**4499.** (2830.) **Authority to Incorporate and Manner of Incorporation.**—Any five or more persons, wishing to form a religious society, lodge of Masons, or any other similar order, debating or literary society, library company, benevolent or charitable association, scientific institution of learning, or cemetery company, may become incorporated in the following manner:

They shall present to the judge of the circuit court for the proper county a proposed charter subscribed by the intended incorporators, which shall set forth:

1st. The name of the corporation and place where it is to be located.

2d. The general nature of the object of the corporation.

3d. The qualification of members and the manner of their admission.

4th. The term for which it is to exist.

5th. The names and residence of the subscribers.

6th. By what officers the affairs of the corporation are to be managed, and the times at which they will be elected or appointed.

7th. The names of the officers who are to manage all the affairs until the first election or appointment under the charter.

8th. By whom the by-laws of the corporation are to be made, altered or rescinded.

9th. The highest amount of indebtedness or liability to which the corporation may at any time subject itself, which shall never be greater than two-thirds of the value of the property of the corporation.

10th. The amount in value of the real estate which the corporation may hold, subject always to the approval of the circuit judge.

The proposed charter shall be acknowledged by some one of the subscribers before some officer authorized to take acknowledgments of deeds, which subscriber shall also make and subscribe an oath, to be endorsed on the proposed charter, that it is intended in good faith to carry out the purposes and objects set forth therein. Notice of the intention to apply to the circuit judge for any such charter, stating the time when the application will be made, shall be published in one newspaper in the proper county for four weeks, once each week, setting forth briefly the character and object of the corporation to be formed. The proposed charter, with proof of publication, shall be produced to the circuit judge at the time named in the notice, and if no cause be shown to the contrary, and if he find it to be in proper form and for an object authorized by this chapter, the circuit judge

shall approve it and endorse his approval thereon. The charter, with all its endorsements, shall then be recorded in the office of the clerk of the circuit court, and from thenceforth the subscribers and their associates and successors shall be a corporation by the name given. The proposed charter, during the time of publication, must be filed in the office of the clerk of the circuit court.

**4500.** (2831.) **Evidence of Incorporation.**—The original charter, with the certificate of the recording thereof in the clerk's office endorsed thereon, or a copy from the record thereof, certified by the said clerk, shall be evidence of the contents of the charter in all actions and proceedings, and shall be conclusive evidence of the existence of the corporation in all actions and proceedings where the question of its existence is only collaterally involved, and prima facie evidence in all other actions and proceedings.

**4501.** (2832.) **Amendment of Charter.**—Any such corporation desiring to amend its charter may do so by resolution as provided in the by-laws, which amendment, upon publication of notice, and approval by the Circuit Judge and recording in the Clerk's office as aforesaid, shall become and be taken as part of the original charter.

**4502. Number of Directors May Be Increased.**—That every corporation not for profit shall have the right to increase by a vote of its members, cast as the by-laws may direct, the number of its directors, managers or trustees, so however that the number shall not be less than three but may be any number in excess thereof.

**4503.** (2833.) **Limit of Indebtedness.**—Any corporation not for profit heretofore or hereafter formed may subject itself to indebtedness or liability in the aggregate not greater than the specific amount stated in its charter, or an amendment thereto, or not beyond a limit, specific or relative, set forth in its charter, or an amendment thereto; and this power shall exist without regard to whether such amount or limit is greater or less than two-thirds of the value of its property.

**4504.** (2834.) **Bonded or Mortgage Indebtedness.**—Any corporation not for profit heretofore or hereafter formed may subject itself to specific bonded or mortgage indebtedness, in addition to or without regard to its general

power or limit as to indebtedness or liability, by setting forth in the charter, or in an amendment thereto, the general nature, purpose and amount of such specific indebtedness.

**4505.** (2835.) **Method of Obtaining or Amending Charter Not Changed.**—The two preceding sections shall not change the method of procuring a charter, or an amendment thereto, or affect the judicial discretion of the circuit judge in giving or withholding his approval.

**4506.** (2836.) **Dissolution.**—Any such corporation wishing to dissolve may present a petition to the circuit judge, who shall direct notice thereof to be published for such time as he may judge to be expedient, and after the expiration of such time he may decree a dissolution and may make all necessary orders and decrees for the winding up of the affairs of such corporation, taking care that the claims of creditors be satisfied, as far as may be, out of the assets of the corporation.

**4507.** (2837.) **Incorporation of Social Club.**—Any five or more persons wishing to form a social club or society not for profit may become incorporated in the manner prescribed by the general law for other bodies not organized for profit.

Such corporation shall have the inherent powers prescribed generally for all corporations by the general corporation law of this State.

The evidence as to any such corporation, the amendment of its charter and its dissolution shall be in accordance with the general laws as to corporations not organized for profit.

**4508.** (2838.) **Powers of Board of Directors.**—Such corporation in its by-laws, among other powers and privileges, may delegate to the board of directors full discretionary power of admitting or expelling members; and may prescribe that an incorporator or member shall not have any vested right, interest or privileges of, in or to the assets, functions, affairs or franchises of the corporation, nor any right, interest or privileges which may be transferrable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing: Provided, That before his membership shall

cease against his consent he shall be given an opportunity to be heard, unless he is absent from the county where such corporation is located; and may also delegate to the board of directors the power of fixing regular or special dues and of assessing fines in such sums as may be fixed or the limits and occasions determined by the by-laws, the amount whereof shall become, on and after notice, an indebtedness to the corporation, collectable by due course of law, and the failure to pay any indebtedness to the corporation shall render the member liable to expulsion.

4509. (2839.) **Proceedings to Annul Franchise, Etc.**—In the event any member or citizen shall complain to the Attorney-General that any corporation organized under this chapter was organized or is being used as a cover to evade any of the laws against crime, or for purposes inconsistent with those stated in the charter, and shall submit prima facie evidence to sustain such charge, together with sufficient money to cover court costs and expenses, it shall be the duty of the Attorney-General forthwith to institute and in due course to prosecute to final judgment such legal or equitable proceedings as may be considered advisable either to annul the franchise or prevent its improper use.

## AGRICULTURAL AND HORTICULTURAL ASSOCIATIONS.

4510. **Forming Non-profit Co-operative Associations; Powers.**—Three or more persons engaged in the production, preserving, drying, packing, shipping or marketing of agricultural (viticultural) or horticultural products, or all of them, may form a non-profit co-operative association, under the provisions of this Article, to carry on said business, and such association shall have, and may exercise, the powers authorized by this Article and the powers necessarily incidental thereto, and all other powers granted to private corporations by the laws of this State, except such powers as are inconsistent with those granted by this Article.

4511. **Not to Have Capital Stock; Not for Profit; Membership; Membership Not Assignable; Directors May Consent to Assignment.**—Such associations shall not have a capital stock, and its business shall not be carried on for

profit. Any person, or any number of persons, in addition to the original incorporators, may become members of such association, upon such terms and conditions as to membership and subject to such rules and regulations as to their, and each of their, contract and other rights and liabilities between it and the member, as the said association shall provide in its by-laws. The association shall issue a certificate of membership to each member, but the said membership, or the said certificate thereof, shall not be assigned by a member to any other person, nor shall the assigns thereof be entitled to membership in the association or to any property rights or interest therein. Nor shall a purchaser at execution sale, or any other person who may succeed, by operation of law or otherwise, to the property interests of a member be entitled to membership or become a member of the association by virtue of such transfer. The Board of Directors may, however, by motion duly adopted by it, consent to such assignment or transfer and to the acceptance of the assignee or transferee as a member of the association, but the association shall have the right, by its by-laws, to provide for or against the transfer of membership and for or against the assignment of membership certificates, and also the terms and conditions upon which any such transfer or assignment shall be allowed.

**4512. Articles of Incorporation.**—Each association formed under this Act must prepare and file articles of incorporation in the same manner and under the same regulations as now required by law for the incorporation of companies for profit in this State, and therein shall set forth:

1. The name of the association.
2. The purpose for which it is formed.
3. The place where its principal business will be transacted.
4. The term for which it is to exist, not exceeding fifty years.
5. The number of directors thereof, which must not be less than three and which may be any number in excess thereof, and the names and residences of those selected for the first year and until their successors shall have been elected and shall have accepted office.

6. Whether the voting power and the property rights and interest of each member shall be equal or unequal, and if unequal these articles shall set forth a general rule or rules applicable to all members by which the voting power and the property rights and interests, respectively, of each member may and shall be determined and fixed, but the association shall have power to admit new members, who shall be entitled to vote and to share in the property of the association with the old members, in accordance with such general rule. This provision of the articles of incorporation shall not be altered, amended or repealed except by the unanimous written consent or the vote of all the members.

7. Said articles must be subscribed by the original members and acknowledged by one of them before an officer authorized by the law of this State to take and certify acknowledgments of deeds of conveyance, and shall be filed in accordance with the provisions of law, and when so filed the said articles of incorporation or certified copies thereof shall be received in all the courts of this State and other places as prima facie evidence of the facts contained therein.

**4513. By-Laws.**—Each association incorporated under this Article must, within thirty days after its incorporation, adopt a code of by-laws for its government and management not inconsistent with the provisions of this law. A majority vote of the members or the written assent of members representing a majority of the votes, is necessary to adopt such by-laws. The provisions of the General Laws of this State not inconsistent with the provisions of this Article shall apply to the by-laws of the corporations provided for in this Act. Each association may also, by its by-laws adopted as aforesaid, provide for the following matters:

1. The manner of removal of any one or more of its directors, and for filling any and all vacancies in the Board of Directors.

2. The number of directors and the number of members or votes thereof constituting a quorum.

3. The conditions upon which, and the time when, membership of any member in the association shall cease; the mode, manner and effect of expulsion of a member,

subject to the right of the expelled member to have the Board of Directors (equitably) appraise his property interests in the association and to affix the amount thereof in money, and to have the money paid to him within sixty days after such expulsion.

4. The amount of membership fee, if any, and the amount which each member shall be required to pay annually, or from time to time, if at all, to carry on the business of the association, and also the compensation, if any, to be paid by each member for any services rendered by the association to him, and the time of payment and the manner of collecting the same, and for forfeiture of the interest of the member in the association for nonpayment of the same.

5. The number and qualification of members of the association and the conditions precedent to membership, and the method, time and manner of permitting members to withdraw, and providing for the assignment and transfer of the interest of the member, and the manner of determining the value of such interest, and providing for the purchase of such interest by the association upon the death, withdrawal or expulsion of a member or upon the forfeiture of his membership, at the option of the association.

6. Permitting members to vote by their proxies and determining the conditions, manner, form and effect thereof.

**4514. Powers; Voluntary Dissolution.**—Each association incorporated under this Act shall have the powers granted by the provisions of this law and other laws of Florida relating to private corporations, and shall also have the following powers:

1. To appoint such agents and officers as its business may require, and such appointed agents may be either persons or corporations; to admit persons to membership in the association, and to expel any member pursuant to the provisions of its by-laws; to forfeit the (membership) of any member for the violation of any agreement between him and the association, or for his violation of its by-laws.

2. To purchase or otherwise acquire, hold, own, sell and otherwise dispose of any and every kind or kinds of

real and personal property necessary to carry on its business (and to acquire by purchase or otherwise the interest of any member in the property of the association).

3. Upon the written assent or by a vote of members representing two-thirds of the total votes of all members to co-operate with any other (co-operative) corporation or corporations for the co-operative and more economical carrying on of their respective business by consolidation, upon (resolution) adopted by its Board of Directors, to enter into all necessary and proper contracts and agreements, and to make all necessary and proper stipulations and arrangement with any other (co-operative) corporation or corporations, for the co-operative and more economical carrying on of its business, or any part or parts thereof; or any two or more (co-operative) corporations organized under this title, upon (resolutions) adopted by their respective Board of Directors, may for the purpose of more economically carrying on their respective business, by agreement between them, unite in employing and using, or several association may separately employ, and use, the same methods, means and agencies for carrying on and conducting their respective businesses.

4. Any association formed or consolidated under this Article may be dissolved and its affairs wound up voluntarily by the written request of members representing two-thirds of the total votes, in the manner and with the effect now provided by law, except that the moneys remaining after liquidation shall be divided among the members in proportion to their property interest therein.

**4515. May Own Stock in Certain Corporations.**—That any agricultural or horticultural non-profit, co-operative association, heretofore, or hereafter, organized under the laws of the State of Florida, may own or hold stock in any corporation organized under the laws of the State of Florida, if such corporation is organized, or conducts, or operates, its business, solely for the benefit or advancement of the interests of persons engaged in agricultural or horticultural pursuits in this State.

**4516. Quo Warranto to Test Validity of Incorporation.**—The right of an association claiming to be organized and incorporated and carrying on its business under this

Article to do and to continue its business, may be inquired into by quo warranto at the suit of the Attorney-General, but not otherwise.

## INCORPORATION OF STATE FAIRS OR EXPOSITIONS.

**4481. Number of Persons Required to Form Corporation.**—Three or more persons may associate themselves together to form and create a corporation under the Laws of Florida to hold, conduct and operate State fairs or expositions, and to exercise other powers granted by this Sub-Chapter upon making and filing a proposed charter in writing in the manner hereinafter mentioned.

**4482. Requisites of Proposed Charter.**—The proposed charter of every corporation organized under this Sub-Chapter shall set forth:

(1) The name of the corporation, which shall contain the word company, corporation, incorporated or association.

(2) The name of the place in the State of Florida where the principal office or place of business is to be located.

(3) The general nature of the business or businesses, objects and purposes proposed to be transacted or carried on.

(4) The total amount of the authorized capital stock of such corporation, which, however, shall be not less than Twenty-five Thousand Dollars ($25,000.00) in any case, and the number and par value of the shares into which the same is divided. No corporation organized under this Sub-Chapter shall commence business until at least Twenty-five Thousand Dollars ($25,000.00) of the capital stock shall be subscribed by the incorporators in the proposed charter and shall be paid into the treasury of said corporation in cash. The capital stock shall be divided into shares of not less than one dollar ($1.00) per share and the amount of the par value shall be fixed in the proposed charter. All payment for capital stock shall be in cash.

(5) The name and the residence of each of the incorporators and the amount of stock subscribed for by each, the total amount of which shall be not less than Twenty-five Thousand Dollars ($25,000.00).

(6) The term for which said corporation is to exist.

(7) The highest amount of indebtedness to which the corporation may at any time subject itself.

(8) The proposed charter may also contain any provision which the incorporators may insert therein for the regulation of the business and conduct of the affairs of the corporation and any provisions, creating, defining, limiting and regulating the powers of the corporation and of its directors and stockholders or any class of stockholders.

**4483. Signing and Acknowledgment; Approval of Charter; Letters Patent; Charter Fees.**—Such proposed charter shall be signed by at least three subscribers to the capital stock and shall be acknowledged before an officer authorized to take acknowledgments of deeds; and thereupon said proposed charter shall be filed in the office of the Secretary of State, who shall produce the same to the Governor, who shall examine the same and if he shall find it to be in proper form and for the objects authorized by law letters patent shall be issued by the Governor and Secretary of State incorporating said subscribers, their associates and successors into a body politic and corporate by deed and in law by the name chosen, for the purposes and upon the terms and provisions set forth in said charter. The Secretary of State shall annex to the letters patent a certified copy of said charter, retaining the original on file, and before delivering the letters patent shall record them and said charter in a book kept for that purpose, and shall receive from the corporation, before delivery, in addition to the fees allowed by law the same charter tax or fee as now provided by law in respect to the incorporation of corporations for profit under the Laws of Florida.

**4484. Evidence of Existence and Contents of Charter.**—Said letters patent or a certified copy thereof given by the Secretary of State under the great seal shall be evidence of the existence of such corporation in all actions and proceedings. The original charter with the certificate

of the recording thereof in the office of the Secretary of State endorsed thereon, or a copy from the record thereof certified by the Secretary of State shall be evidence of the contents of said charter in all actions and proceedings.

**4485. Not to Transact Business Until Charter Recorded and Certain Amount of Capital Stock Subscribed and Paid In.**—No such corporation shall transact any business until it shall have had said letters patent or a certified copy thereof with a certified copy of said charter recorded in the office of the Clerk of the Circuit Court for the county wherein the principal place of business is located and shall file with the Secretary of State and with the Clerk of the Circuit Court duplicate affidavits by its Treasurer that Twenty-five Thousand Dollars ($25,000.00) of its capital stock has been duly subscribed and has been paid for in cash.

**4486. Management Until Directors Elected; Board of Directors; Executive Committee.**—Until the directors are elected, the signers of the charter shall have the direction of the affairs and organization of said corporation, and shall take such steps as are proper to obtain subscriptions to the corporate stock and complete the organization of the corporation. The business of every corporation organized under this Sub-Chapter shall be managed by a Board of not less than three directors, who shall be elected by the stockholders and shall hold office until their successors are respectively elected and qualified. The number of the directors shall be fixed by the charter, but may be changed, increased or diminished at any time by the stockholders, and there shall be no restriction on the number of directors, except that there shall never be less than three directors. The Board of Directors may by resolution designate three or more of their number to constitute an executive committee, who, to the extent provided in such resolution or by-laws of the company, shall have and exercise the powers of the Board of Directors in the conduct and management of the business and affairs of the corporation, and shall have the power to authorize the seal of the Company to be affixed to all papers requiring it. The charter may provide that the directors may be divided into two or more classes, each class to hold office for such period as may be therein prescribed.

**4487. Other Officers; How Chosen.**—Every corporation organized under this Sub-Chapter shall have a President, one or more Vice-Presidents, a Secretary and a Treasurer, who shall be chosen by the Directors as and when the by-laws may direct. The by-laws of said corporation may provide for as many Vice-Presidents as may be desired. The corporation may have such other officers, agents or representatives as may be deemed necessary, who shall be chosen in such manner and hold their offices for such terms as may be prescribed by the by-laws, or, in the absence of the by-laws, then by the Board of Directors. The failure to elect any officer of this corporation at the time prescribed by law or by the certificate of incorporation or by-laws shall not dissolve or affect the validity of the corporation. Any vacancy occurring in the office of any officer, by death, resignation, removal or otherwise, shall be filled as provided for in the by-laws, or, in the absence of such provision, by the Directors. It shall not be necessary for the President, Vice-President, Secretary and Treasurer, or any of them, to be members of the Board of Directors.

**4488. First Meeting; Notice; Incorporators May Waive Notice.**—The first meeting of the corporation shall be called by a notice signed by a majority of the subscribing incorporators, designating the time, place and purpose of the meeting. Such notice shall be published once a week for at least two weeks before such meeting in a newspaper published in the county where the corporation has its principal place of business, but said subscribing incorporators may waive such notice and in writing fix the time and place of such meeting without such publication.

**4489. Kind of Stock; Limitation on Issuance of Preferred Stock; Redemption; Stockholders Not Personally Liable.**—Every corporation organized under this Sub-Chapter shall have the power to create two or more kinds of stock of such classes, with such designation, preferences or voting stated in the certificate of incorporation. The power to increase or decrease stock shall apply to all or any of such classes of stock. At no time shall the total amount of preferred stock exceed two-thirds of the actual paid-in capital. Such preferred stock may, if desired, be subject to redemption at not less than par at a time and

price to be stated in such stock certificate. In no event shall the holders of any stock of any such corporation organized under this Sub-Chapter, of whatever character or class, be personally liable for any of the debts of such corporation. All stock of every kind of any corporation organized under this Sub-Chapter shall be issued for cash only.

**4490. Power to Operate Live Stock, Agricultural or Other Fairs.**—Every corporation organized under this Sub-Chapter shall have the power, in addition to the provisions contained in the charter thereof for the regulation of the business and conduct of the affairs of said corporation and creating, limiting, defining and regulating the powers of said corporations, to hold, conduct and operate State, live stock, agricultural, horticultural or other fairs or expositions at any or all times, or from time to time, and for that purpose to buy, lease, acquire and occupy lands, and to erect buildings and improvements of all kinds thereon, and to develop the same, and to sell, mortgage, lease or convey such property or any part thereof in its discretion from time to time, and to charge and receive compensation for admission to such fairs or expositions, and the sale or renting of space for exhibition or other privileges, and to conduct and hold public meetings, to supervise and conduct lectures and demonstration work in connection with or for the improvement of agriculture, horticulture and stock-raising and all kinds of farming and matters connected therewith, to hold exhibits of agricultural and horticultural products, live stock, chickens and domestic animals and to give certificates or diplomas of excellence, and generally to do, perform and carry out all matters, acts and businesses usual or proper in connection with State or county fairs or expositions; but this enumeration of particular powers shall not be in derogation of or limit any special provision of the charter of such corporation inserted for the regulation of its business and the conduct of its affairs, or creating, defining, limiting and regulating the powers of the corporation, its directors, stockholders or any class of stockholders.

**4491. Not Authorized to Permit Gambling, Etc.; Forfeiture of Charter; Annullment Proceedings.**—Nothing in this Sub-Chapter shall be held or construed to authorize or permit any corporation organized hereunder to carry

on, conduct, supervise, permit or suffer any gambling or game of chance, lottery, betting or other Act in violation of the criminal laws of the State of Florida; and any corporation organized under this Sub-Chapter which shall violate any of said laws or which shall knowingly permit the same to be done shall be subject to forfeiture of its charter; and if any citizen shall complain to the Attorney-General that any corporation organized under this Sub-Chapter was organized for or is being used as a cover to evade any of the laws of Florida against crime and shall submit prima facie evidence to sustain such charge, it shall be the duty of the Attorney-General to institute and in due course to prosecute to final judgment such proceedings as may be necessary to annul the charter and letters patent of such corporation, and writs of injunction or other extraordinary process shall be issued by courts of chancery on the application of the Attorney-General on sworn bill of complaint pending any such annulment proceeding and in aid thereof, and all such cases shall be given precedence over all civil cases pending in such courts and shall be heard and disposed of with as little delay as practicable.

**4492. Annual Audit of Accounts by Comptroller.**— Once each year a complete audit of the books and accounts of every corporation organized under this Sub-Chapter shall be made by or under the direction of the Comptroller of the State of Florida at an expense to said corporation not to exceed One Hundred Dollars ($100.00) for such examination. The Comptroller shall also have the power to make such additional audits of the books and accounts of said corporation from time to time as he may deem proper upon the application of any creditor or stockholder of any such corporation, accompanied by a cash deposit of not less than One Hundred Dollars ($100.00); but no such examination shall be made upon the application of a creditor or stockholder unless in the judgment of the Comptroller the same shall promote the best interests of the corporation, its creditors and stockholders. The results of all such audits shall be kept on file in the office of the Comptroller and one copy certified by him shall be forwarded to the Secretary of said corporation, who shall at the request of any stockholder or creditor exhibit the same for inspection. The Comptroller shall furnish a certified copy of any such audit to

any stockholder or creditor applying therefor upon the payment of the same fees as prescribed by law for certified copies made by Clerks of the Circuit Courts.

**4493. Right to Amend Act Reserved by State.**—The right to amend, alter, modify or repeal this Sub-Chapter is hereby reserved by the State of Florida, and any corporation organized under this Sub-Chapter may avail itself of any amendment of this Sub-Chapter.

**4494. Liability of Stockholders.**—The stockholders of any corporation organized under this Sub-Chapter shall be liable only to an extent equal in amount for so much as remains unpaid upon their subscription to the capital stock, and no further and not otherwise, and no stockholder of any such corporation shall be liable to any such corporation or to any subscriber of the proposed charter thereof for the payment of any debts, obligations or liabilities of any such corporation, except only to the extent of the amount remaining unpaid upon his subscription.

**4495. Increase and Reduction of Capital Stock.**—Any corporation organized under this Sub-Chapter may increase its capital stock to any amount by holding an election of the stockholders at its place of business after having published notice of the time, place and object of the meeting once a week for two successive weeks prior thereto in a newspaper published in the county and having served or mailed the usual notice for stockholders' meeting, and if at such meeting two-thirds of all the stockholders shall vote to increase the capital stock, it shall be the duty of the President within thirty days thereafter to make return to the Secretary of State, under oath, of the amount of such increase and the terms under which such additional stock is issued, and from the time said return is made and filed the increase of stock shall be authorized and when issued shall become a part of the capital of said corporation. Any corporation may reduce its capital stock or the number or par value of the shares thereof within the limits allowed by law by a two-thirds vote of its stockholders in the same manner as is provided herein for the increase of capital stock, provided that the State Comptroller endorse his certificate upon the affidavit that in his judgment the ability of the corporation to meet its outstanding indebtedness and liabilities will not be impaired thereby.

**4496. Amendment of Charter.**—Any corporation organized under this Sub-Chapter desiring to amend or alter its charter shall adopt the proposed amendment or alteration by a vote of two-thirds of all its stock at a meeting called or notified as provided for meetings for the increase of capital stock. If the proposed amendment be so adopted, the corporation shall prepare a certificate under its common seal verified by the President or a Vice-President, of the proposed alteration or amendment adopted as aforesaid, which certificate shall be filed in the office of the Secretary of State, who shall produce the same to the Governor, who shall examine the same, and if he finds it to be in proper form and in accordance with law, he shall approve the same, and thereupon letters patent shall be issued reciting the alteration or amendment in question, and said letters patent shall then be recorded in the office of the Secretary of State and in the office of the Clerk of the Circuit Court where the original charter was recorded, and from the date of recording in the Secretary of State's office, said alteration or amendment shall be taken and considered as a part of said charter.

**4498. Provisions of General Corporation Laws Applicable.**—Provisions of Sections 4045 to 4084, both inclusive, and of Sections 4089 to 4094, both inclusive, and of Sections 4115 to 4120, both inclusive, of these Revised General Statutes, relating to corporations for profit, so far as not in conflict or inconsistent with the terms of this sub-chapter, shall apply to corporations formed or organized under this sub-chapter as fully and to the same extent as if the provisions of such statutes were set forth and repeated therein, and every corporation formed under this sub-chapter shall have all of the rights, powers and privileges in addition to those conferred by this sub-chapter, granted and prescribed by the laws of the State of Florida to and for corporations for profit; provided, however, that in case of any conflict between the express provisions of this sub-chapter and said statutes this sub-chapter shall control, and provided, further, that nothing herein contained or in said statutes above referred to shall limit the power of any corporation formed under this sub-chapter to have as many directors and vice-presidents or other officers as may be prescribed by its charter.

## PUBLIC FAIRS AND EXPOSITIONS.

**4517. Number of Persons Required; Requisites of Proposed Charter.**—Twenty-five or more persons wishing to form an association not for profit, for the purpose of conducting and operating public fairs or expositions for the benefit and development of the agricultural, horticultural, live stock and other resources of the State or any county or counties of the State of Florida may become incorporated in the following manner:

They shall present to the Judge of the Circuit Court for the county in which the principal office of said association is to be located a proposed charter signed by the intended incorporators, which shall set forth:

(1) The name of the association and the place where the principal office is to be located. The name of said association shall include the word "Inc."

(2) The general nature of its objects and powers.

(3) The qualifications and terms of members and the manner of their admission and expulsion. Provision may be made in the charter for ex-officio membership, and memberships may be for terms of years.

(4) The time for which it is to exist.

(5) The names and residences of the subscribers.

(6) By what officers its affairs are to be managed, and the time at which they will be elected or appointed.

(7) The names of the officers who are to manage its affairs until the first election or appointment under the charter.

(8) By whom its by-laws are to be made, altered or rescinded.

(9) The highest amount of indebtedness or liability to which it may at any time subject itself.

**4518. Acknowledgment of Charter.** — The proposed charter shall be acknowledged by at least three of the subscribers, each a man of good character and reputation, before an officer authorized to make acknowledgement of deeds, which subscribers shall also make and subscribe an oath, to be attached to the proposed charter that the sole object of the association is public service, that there has been provided for the purposes of the association property, money and other available assets in

value exceeding five thousand dollars, and that it is intended in good faith to carry out the purposes and objects therein set forth.

**4519. Notice of Intention to Apply; Approval of Charter by Circuit Judge; Charter To Be Recorded, Etc.**—Notice of intention to apply to the Circuit Judge for any such charter, stating the time when the application will be made, shall be published in a newspaper in the county where the principal office of said association shall be located once each week for four (4) consecutive weeks, setting forth briefly the charter and objects of the association to be formed. The proposed charter with proof of publication shall be produced to the Circuit Judge at the time named in the notice, and, if no cause be shown to the contrary and if he find it to be in proper form and so sworn to and for an object authorized by this Article, he shall approve the same and render a decree incorporating said subscribers under said charter and for the objects and purposes and with the powers therein specified. Said charter and said decree of incorporation shall then be recorded in the office of the Clerk of the Circuit Court in the county where the principal office of said corporation or association shall be located, and thenceforth the subscribers and their associates shall be incorporated by the name given in said charter and with the objects and powers set forth therein. The proposed charter during the time of publication, shall be on file in the office of the Clerk of the Circuit Court.

**4520. Evidence of Existence and Contents of Charter.**—A certified copy of said charter and decree of incorporation shall be evidence of the contents of said charter in all actions and proceedings, and shall be conclusive evidence of the existence of the incorporated association in all actions and proceedings where the question of its existence is only collaterally involved, and prima facie evidence in all other actions and proceedings.

**4521. Amendment of Charter.**—Any such association desiring to amend its charter may do so by resolution as provided in its by-laws, which amendment, upon publication of notice as aforesaid, and decree of said Circuit Judge approving and allowing said amendment, recorded in the Clerk's office as aforesaid, shall become and be taken as a part of the original charter.

**4522. Amount of Indebtedness Authorized.**—Any association formed and incorporated hereunder may subject itself to indebtedness or liability in an aggregate sum not greater than the limit stated in said charter or any amendment thereto, without regard to the value of its property. But any association organized hereunder may subject itself to specific bonded or mortgaged indebtedness in addition to and without regard to its general powers or limit as to indebtedness or liability.

**4523. Members Not Personally Liable; Property of Association Held in Trust; Exempt From Taxation.**—No member or officer of any association organized under this article shall be personally liable for any of the debts of such association and no money or property of any such association shall be distributed as profits or dividends among its members or officers, but all money and property of such association shall, excepting only for the payment of its just debts and liabilities be and remain perpetually public property administered by the association as trustee, to be used exclusively for the legitimate purpose of the association, and shall be, so long as so used, exempt from all forms of taxation.

**4524. Additional Powers.**—Every association organized under this article shall have the power, in addition to provisions contained in the charter thereof for the regulation of the business and conduct of the affairs of said association and creating, limiting, defining and regulating the powers of said association, to hold, conduct, and operate State, district, county, live stock, poultry, agricultural, horticultural or other fairs, or expositions at any or all times or from time to time and for that purpose to buy, lease, acquire and occupy lands, and to erect buildings, and improvements of all kinds thereon, and to develop the same, and to sell, mortgage, lease or convey such property or any part thereof, in its discretion, from time to time, and to charge and receive compensation for admission to such fairs or expositions, and the sale or renting of space for exhibitions, or other privileges, and to conduct and hold public meetings, to supervise and conduct lectures and all kinds of demonstration work in connection with or for the improvement of agriculture, horticulture and stock raising and poultry raising and all kinds of farming and matters connected there-

with, to hold exhibits of agricultural and horticultural products, live stock, chickens and domestic animals, and to give certificates or diplomas of excellence, and generally to do, perform and carry out all matters, acts and business usual or proper in connecetion with State, district or county fairs or expositions; but this enumeration of particular powers shall not be in derogation of or limit any special provisions of the charter of such association, inserted for the regulation of its business, and the conduct of its affairs or creating, defining, limiting and regulating the powers of the association, its officers or members.

**4525. Not Authorized to Carry on Gambling, Etc.; Forfeiture of Charter for Violation; Annulment Proceedings.** —Nothing in this article shall be held or construed to authorize or permit any association organized hereunder to carry on, conduct, supervise, permit or suffer any gambling or game of chance, lottery, betting or other act in violation of the criminal laws of the State of Florida; Provided, That nothing in this Article shall permit horse racing for money or upon which money is placed; and any association organized under this Article which shall violate any of said laws or which shall knowingly permit the same to be done shall be subject to forfeiture of its charter; and if any citizen shall complain to the Attorney-General that any association organized under this Article was organized for or is being used as a cover to evade any of the laws of Florida against crime, and shall submit prima facie evidence to sustain such charge, it shall be the duty of the Attorney-General to institute, and in due course to prosecute to final judgment such proceedings as may be necessary to annul the charter and incorporation of such association, and writs of injunction or other extraordinary process shall be issued by courts of competent jurisdiction on the application of the Attorney-General on sworn bill of complaint pending any such annullment proceeding and in aid thereof, and all such cases shall be given precedence over all civil cases pending in such courts, and shall be heard and disposed of with as little delay as practicable.

**4526. Annual Audit of Accounts by Comptroller.**— Once each year a complete audit of the books and accounts of every association organized under this Article

shall be made by or under the direction of the Comptroller of the State of Florida, at an expense to said corporation not to exceed one hundred dollars ($100.00) for such examination. The Comptroller shall also have the power to make such additional audits of the books and accounts of said corporation from time to time as he may deem proper upon the application of any creditor or member of any such association accompanied by a cash deposit of not less than one hundred dollars ($100.00); but no examination shall be made upon application of a creditor or member unless in the judgment of the Comptroller the same shall promote the best interests of the association, its creditors or the public. The results of all such audits shall be kept on file in the office of the Comptroller, and one copy certified by him shall be forwarded to the Secretary of said association, who shall, at the request of any officer or creditor, exhibit the same for inspection. The Comptroller shall furnish a certified copy of any audit to any officer or creditor applying therefor upon the payment of the same fees as prescribed by laws for certified copies made by Clerks of the Circuit Court.

**4527. Authorized to Contract with City or County for Use of Land; Admission Fees to Fair; Counties and Cities Authorized to Make Contributions.**—That it shall be lawful for any association incorporated under this Article to enter into any contract, lease or agreement with any city or county in the State of Florida for the donation to, or the use and occupation by such association of any land owned, leased or held by any such county or city during such time and on such terms as such county or city may authorize, with the right on the part of such association to charge and receive an admission fee or fees to such fair or exposition or any part thereof; and the Board of County Commissioners of any county within which such fair or exhibition is held and the Mayor and City Council of any city within such county shall be authorized to make contributions of money or property to such associations to assist in carrying out the purposes of such associations as defined by this Article, and Boards of County Commissioners of the various counties of the State of Florida, are hereby authorized to expend in their discretion such sums of money as they deem for the best interests of their counties and in aiding the development of the agricultural, horticultural and live-stock resources of

their counties and in giving publicity to the advantages, facilities and agricultural, horticultural and live-stock possibilities and production of their counties by providing for, aiding and assisting the exhibition and demonstration of such resources at and in connection with such fairs and expositions, including the offering and paying of premiums for such exhibitions of resources of their respective counties.

---

## SPECIAL PROVISIONS FOR RAILROAD AND CANAL COMPANIES.

### REQUISITES OF PROPOSED CHARTER.

**4351.** (2800.) **Additional Requirements.**—The proposed charter of a railroad or canal company, in addition to the general requirements, shall state the place from and to which the railroad or canal is to be constructed, or maintained and operated, the length of the same, as near as may be, and the name of each county in the State through or into which it is made or intended to be made.

**4352.** (2801.) **Affidavit of Good Faith.**—Every proposed charter of such company shall have annexed to it an affidavit, by a majority of the subscribers thereto, that it is intended in good faith to construct, maintain and operate the railroad or canal mentioned therein, which affidavit shall be recorded by the Secretary of State, together with the charter.

### CAPITAL STOCK.

**4353.** (2802.) **Par Value of Shares.**—The capital stock of a railroad or canal company shall be divided into shares of one hundred dollars each.

### SPECIAL POWERS.

**4354.** (2803.) **Certain Powers Enumerated.**—Every railroad and canal company shall be empowered:

1. To cause such examinations and surveys for the proposed railroad or canal to be made as shall be neces-

sary for the selection of the most advantageous route, and for such purposes by its officers, agents and servants to enter upon the lands or water of any person for that purpose.

2. To take and hold such voluntary grants of real estate and other property as shall be made to it to aid in the construction, maintenance and accommodation of its road or canal, but the real estate received by voluntary grant shall be held and used for the purposes of such grant only.

3. To purchase, hold and use all such real estate and other property as may be necessary for the construction and maintenance of its road or canal and the stations and other accommodations necessary to accomplish the objects of its incorporation, and to sell, lease or buy any lands or real estate not necessary for its use.

4. To lay out its road or canal, not exceeding two hundred feet in width, and to construct the same, and, for the purpose of cuttings and embankments and for obtaining gravel and other material, to take as much land as may be necessary for the proper construction, operation and security of the road or canal, or to cut down any trees that may be in danger of falling on the road or into the canal, making compensation therefor as provided for land taken for the use of the company.

5. To construct its road or canal across, along or upon or use any stream of water, water-course, street, highway or canal which the route of its road or canal shall intersect or touch, and whenever the track of any railroad or canal shall touch, intersect or cross any road, highway or street, it may be carried over or under such railroad or canal, as may be found most expedient for the public good; and in case any embankment or cut in the construction of any railroad or canal shall make it necessary to change the course of any highway or street, the company may construct such road or canal so as to change the course or direction of any road, highway or street.

6. To cross, intersect or unite its railroad with any other railroad heretofore or hereafter to be constructed at any point in its route or upon the ground of any other railroad company with the necessary turnouts, sidings and switches and other conveniences in furtherance of

the objects of its connections; and every company whose railroad is or shall be hereafter intersected by any new railroad can unite with the owners of such new railroads forming such intersections and connections and grant the facilities aforesaid, and if the two corporations cannot agree upon the amount of compensation to be made therefor and all the points and matters of such crossing and connections, the same shall be ascertained according to the provisions for exercising the right of eminent domain, and no company which shall have obtained the right-of-way and constructed its road at the point of intersection before the beginning of proceedings for condemnation shall be required to alter the grade or change the location of its road.

7. To take and convey persons or property over their railroad or canal by the power or force of steam or animals or by any mechanical power, and to receive compensation therefor, and to do all the business incident to railroads or canal business.

8. To erect and maintain all convenient buildings, wharves, docks, stations, fixtures and machinery for the accommodation and use of their passengers and freight business.

9. To regulate the time and manner in which passengers and property shall be transported.

10. To borrow such sums of money at such rates of interest and upon such terms as the company or its board of directors shall authorize or agree upon and may deem necessary or expedient, and to execute one or more trust deeds or mortgages, or both as the occasion may require, of railroad or railroads, canal or canals, constructed or in process of construction by said company, for the amount or amounts borrowed or owing by such company, as its board of directors shall deem expedient; and such company may make such provisions in such trust deed or mortgage for transferring their railroad track or canal right-of-way, depots, grounds, rights, privileges, franchises, immunities, machines, houses, rolling stock, furniture, tools, implements, appendages and appurtenances used in connection with such railroad or railroads, canal or canals, in any manner whatsoever then belonging to the said company, or which shall thereafter belong to it,

as security for any bonds, debts or sums of money as may be secured by such trust deed or mortgage, as they shall think proper; and in case of sale of any railroad or canal, or any part thereof, constructed or in course of construction by any railroad or canal company, by virtue of any trust deed or of any foreclosure of any mortgage thereon, the party or parties acquiring title under such, and their associates, successors or assigns shall have or acquire thereby, and shall exercise and enjoy thereafter the same rights, privileges, grants, franchises, immunities and advantages in or by said trust deed or mortgage enumerated and conveyed, which belonged to and were enjoyed by the company making such deed or mortgage or contracting such debt, so far as the same relate or appertain to that portion of said road or canal or the line thereof mentioned or described and conveyed by said mortgage or trust deed, and no further, as fully and absolutely in all respects as the corporators, office-holders, share-holders and agents of such company might or could have done, had not such sale or purchase taken place, and such purchasers, their associates, successors or assigns may become incorporated as provided by law.

**4355.** (2804.) **Canal Companies May Condemn Land for Terminal Facilities.**—Any railroad or canal company, which is a public carrier, or intended to be, in the construction of its railroad or canal, or in the extension of the same, for the purpose of securing terminal facilities therefor on any of the waters of any river, lake, bay, gulf or ocean, shall have and they are hereby given the right to condemn for the use of such railroad or canal company a sufficient area of land therefor and included in which shall be space on shore for depots, yards, switches, turntables, shops and store houses, and such area in and over the waters to the limit of the channel, natural or artificial, of rivers, lakes, bays, gulf or oceans sufficient for ample room for docks, wharves, elevators, berths for ships, ware and store houses, tracks, switches, and all required facilities for the reception, retention, transfer and forwarding of commerce.

**4356.** (2805.) **Where Land Belongs to State.**—Whenever the land or water privileges mentioned in the preceding section shall belong to the State of Florida, the use thereof for the aforesaid purposes shall vest in said

railroad or canal company upon the occupancy of both or either the said land or water by such company, for such purposes; Provided, That before any rights shall accrue under this section, the railroad or canal company desiring such use, shall file in the office of the Secretary of State a map or plan of the area of lands and of water or either so intended to be used or occupied by it, with such definiteness as may be practicable, so as to avoid confusion, and when such plats or plan are so filed, the party filing same shall secure the first right to the occupancy of the designated locality, which first right of first occupancy shall be lost by failure to use any of the premises for the aforesaid purposes within two years from the date of such filing.

**4357.** (2806.) **Rolling Stock To Be Fixtures.**—All rolling stock of any railroad company used or employed in connection with its railroad shall and the same is hereby declared to be fixtures; and all such property and additional right-of-way, depots, grounds and other real property acquired subsequently to any deed or trust or mortgage, which may be described as provided for therein, shall be subject to the same lien as is created by such trust deed or mortgage upon the property therein described and to which the company had titles at the time of its execution.

**4358.** (2807.) **Right-of-Way Through State Lands.**—Every railroad or canal company which shall have located or constructed, or which shall hereafter locate or construct its road or canal through any seminary lands, school lands, or swamp and overflowed lands owned and held by this State shall have the right to take, occupy, hold and possess for the purposes of a railroad or canal a strip of land two hundred feet wide through or across each and every tract of land so owned or held by the State, or over which said railroad or canal is or shall be constructed. This section shall not be applicable to any lands that shall be sold by the State prior to the actual survey and location of any such road or canal line and the filing of a plat of such road or canal line in the office of the Secretary of State as prescribed by the chapter on internal improvements.

**4359.** (2808.) **Right-of-Way Through Lands of Persons Not Sui Juris.**—In case any title or interest in real estate required by any railroad company formed under any law of this State for its incorporation shall be vested in any trustee not authorized to sell, release and convey the same, or in an infant, idiot or person of unsound mind, the circuit court shall have power by a summary proceeding or petition, to authorize and empower such trustee or the guardian of such infant, idiot or person of unsound mind to sell and convey the same to such company for the purposes of its incorporation on such terms as may be just; and in case any such infant, idiot or person of unsound mind has no guardian, the said court may appoint a guardian for the purpose of making such sale, release or conveyance, or may require security from such guardian as the court may require and deem proper. But before any conveyance or release authorized by this section shall be executed, the terms on which the same is executed shall be reported to the court on oath, and if the court is satisfied that such terms are just to the party interested in such real estate, the court shall confirm the report and direct the proper conveyance and release to be executed, which shall have the same effect as if executed by an owner of said land having legal power to sell and convey the same.

**4360.** (2809.) **Crossing Highways.** — Whenever the track of a railroad or a canal constructeed by a company formed under any law of this State shall cross a railroad or highway, such highway may be crossed under or over the track, as may be found most expedient, and in case where an embankment or cutting shall make a change in the line of such highway or is desirable with a view to more easy ascent or descent, said company may take such additional lands for the construction of such road or highway on such new line as may be deemed requisite by the directors unless the land so taken for the purpose aforesaid shall be donated by the owners. The county commissioners shall declare such roads or highways, as located by the railroad or canal company, open for the purposes of a public road or highway, without cost or expense to such railroad or canal company, and such land so declared open shall be held for highway purposes.

**4361.** (2810.). **Change of Route.**—The directors of every railroad or canal company may, by a vote of two-thirds of their whole number, at any time alter or change the route or part of the route of the road or canal as constructed, if it shall appear to them that the line can be improved thereby. The company shall make and file in the office of the Secretary of State a certificate of such alteration or change, which certificate shall then be entered of record and such company shall have the same right and power to acquire title to any land required for the purposes of the company in such altered or changed route as if the road had been located there in the first instance. No such alteration shall be made in any city or town, after the road shall have been constructed, unless the same shall be sanctioned by a vote of the common council of the said city, and in case of any alteration made in the route of any railroad which the company has commenced grading compensation shall be made to all persons for injury so done to any lands that may have been donated to the company. All the provisions of law relative to the first location and acquiring title to land shall apply to every such new or altered portion of the route.

**4362.** (2811.) **Extension.**—Any railroad or canal company now existing or hereafter organized under the laws of this State may extend its railroad or canal from any point named in its charter, or may build branch railroads from any point or points on the line of road. Before making any such extension or building such branch road or canal, the company shall, by resolution of its board of directors to be entered in the records of its proceedings, designate the route of such proposed extension or branch in the manner prescribed in the preceding section and file a certificate as therein provided.

**4363.** (2812.) **Consolidation, Lease and Purchase.**—Any railroad or canal company in this State shall have the power and authority is hereby granted, to make and enter into contracts with any railroad or canal company which has constructed or shall hereafter construct any railroad or canal within the State or in another State as will enable said companies to run their roads in connection with each other, and to merge their stock or to consolidate with any company within or without this State, or to

lease and purchase the stock and property of any such company, and hold, use and occupy the same in such manner as they shall deem most beneficial to their interests. It shall be lawful for such companies to build, construct, and run as a part of their corporate property, such number of steamboats or vessels, as they may deem necessary to facilitate the business operation of such company or companies. No railroad company or canal company shall consolidate its franchises or its line or lines or its management with the franchises, line or lines or management of any company or person owning or controlling any parallel or competing line of railroad or canal without permission from the State Railroad Commission, and all such consolidations, or attempted consolidations without permit as aforesaid, shall be ultra vires.

**4364.** (2813.) **Canal Company May Fix Rates of Toll, Etc.**—The president and directors of any canal or navigation company are authorized to agree upon such rates of tolls for the use of such navigation as they may deem reasonable, and as shall be approved by the Board of Trustees of the Internal Improvement Fund, and such company may collect tolls on all vessels or other water craft, which may pass or repass through any canal which such company may cut or construct, or which may pass or repass through any channel they may have dredged or deepened, and such company shall be entitled to demand and receive said tolls on all produce, merchandise, goods or other articles which may be transported through any of the canals cut, or waters improved by such company, and all produce, goods, merchandise, boats or other articles or things, which may be transported or conveyed through any of said canals constructed, or waters made navigable, shall be liable for the tolls and fees to which they are respectively chargeable, and may be detained until the same be paid and acquitted.

**4365.** (2814.) **Companies May Exercise Rights Outside of State.**—Any railroad or canal company heretofore or hereafter incorporated under the laws of this State, may exercise all its rights, franchises and privileges in any other State or Territory of the United States, under and subject to the laws of the State and Territory where it may exercise, or attempt to exercise the same, and may accept from any other State or Territory, and use any

other additional power and privilege applicable to the carrying of persons and property by railway, steamboats or ships, in said State, Territory, or on the high seas or otherwise, applicable to the doings of said company as herein provided.

**4366.** (2815.) **Companies Incorporated in Other States May Construct or Own Lines in This State.**—Any railroad or canal company already or hereafter organized under or by virtue of the laws of any other State or Territory, desiring to extend or construct the whole or any part of the whole of its line or lines of railroad or canal in this State shall, upon filing in the office of the Secretary of State a duly authenticated copy of its charter or Articles of Incorporation, be entitled to all the franchises, rights, powers and privileges enjoyed by and shall be subject to all the liabilities, obligations and penalties imposed upon domestic companies of the same nature. Whenever a railroad company organized under and by virtue of the laws of another State becomes the owner of a line of road already completed in this State, said railroad company, upon filing in the office of the Secretary of State a copy of its charter or reorganization either before or after the enactment of this provision, shall be entitled to the same franchise, rights, powers and privileges enjoyed by and shall be subject to the same liabilities, obligations and penalties imposed upon domestic companies of the same nature. Before any foreign railroad or canal company shall transact business in Florida, it shall pay to the Secretary of State the same sum required of any other foreign corporation to obtain a permit to do business in Florida; and such foreign corporation shall at all times be subject to and shall comply with all the provisions of law relating to obtaining permits to transact business in Florida, but no foreign railroad or canal company now doing business in Florida shall be required to obtain such permit.

**4367. Canal Tolls Regulated by Railroad Commission.**—The regulation of canal tolls on any canal or inland waterway on which boats are operated shall be within the province of the Railroad Commission, and the Railroad Commission is hereby required to fix such schedules of tolls or traffic charges to be charged on any public canal or canals.

**4368. Regulation of Traffic Charges by Commission.**—The Railroad Commission shall have the same supervisory authority over the canals and inland waterways to regulate traffic charges as they have over railroads and other common carriers.

## SPECIAL PROVISION FOR TELEGRAPH AND TELEPHONE COMPANIES.

(Chapter 6525, Acts 1913, places Telegraph and Telephone Companies under Control of Railroad Commission.)

### DEFINITION.

**4369.** (2816.) **What "Telegraph" Includes.**—The word "telegraph" shall include "telephone" or any other method of transmitting messages by means of electrical apparatus.

### REQUISITES OF PROPOSED CHARTER.

**4370.** (2817.) **Special Requirements.** — The proposed charter of a telegraph company, in addition to the general requirements, shall state the place from and to which the line is to be constructed or maintained and operated, its length as near as may be, and the name of each county in the State through or into which it is made or intended to be made.

**4371.** (2818.) **Affidavit of Good Faith.**—Every proposed charter of such company shall have annexed to it an affidavit by a majority of subscribers thereto, that it is intended in good faith to construct, maintain and operate the telegraph line mentioned therein, which affidavit shall be recorded by the Secretary of State, together with the charter.

### CAPITAL STOCK.

**4372.** (2819.) **Par Value of Share.**—The capital stock of a telegraph or telephone company shall be divided into shares of not less than ten dollars each. The capital stock of all telegraph and telephone corporations incorporated

before the first day of June, A. D., 1895, in which the par value of the shares has been fixed at less than one hundred dollars and more than ten dollars shall be valid.

## SPECIAL POWERS.

**4373.** (2820.) **To Occupy Roads.**—Any telegraph or telephone company chartered by this or another State, or any individual or individuals operating or desiring to operate a telegraph or telephone line, or lines, in this State, may erect posts, wires and other fixtures for telegraph and telephone purposes on or beside any public road or highway, so, however, that the same shall not be set so as to obstruct or interfere with the common uses of said roads or highways. Permission to occupy the streets of an incorporated city or town must first be obtained from the city or town council.

**4374.** (2821.) **Powers of Eminent Domain.**—Any telegraph or telephone company now organized, or which may hereafter be organized under the laws of this or any other State, shall have the right to construct, maintain and operate lines of telegraph or telephone along and upon the right-of-way of any railroad in the State, and to that end are hereby granted all powers for the exercise of the right of eminent domain: Provided, The ordinary travel or use of said railroad is not interfered with by reason thereof; And, Provided further, That no pole shall be erected nearer than twenty feet from the outer edge of the track, unless by the consent of the railroad company.

**4375.** (2822.) **Procedure to Exercise.**—If any telegraph or telephone company fails to secure the consent of any railroad or railway company for such right and privilege, the same may be acquired in the manner following:

Such telegraph or telephone company may file its petition signed and sworn to by any of its officers or solicitors, in the office of the clerk of the circuit court of any county into or through which such railroad runs, stating the authority under which it proceeds, the privilege or easement desired, the fact that the defendant had failed or refused to give its consent to such telegraph or telephone company for the right and privilege sought, that it is incorporated, and that said petitioner intends, in good faith, to construct, maintain and operate its lines

in the manner set out in its petition: Provided, however, If the defendant railroad or railway company has a principal office or place of business in this State and any of that portion of the right-of-way sought to be condemned extends into the country wherein such principal office or place of business is located, then in such cases the condemnation proceedings herein provided for shall be had in such county where such principal office or place of business is located. No map need be filed with said petition, but it shall state about how many poles per mile will be erected on such right-of-way, and about how far from each other and from the center of the main track of said railroad, their length and size, the depth they will be planted in the ground and the amount of ground or land that will be taken or occupied by them. And that no pole shall be set at greater distance than ten feet from the outer edge of the said right-of-way. Upon filing such petition and giving bond for costs in the penalty of two hundred dollars ($200.00) payable to the defendant with surety to be approved by said clerk, it shall be his duty to enter the same upon the general docket for chancery causes, and to issue a writ of subpoena directed to the sheriff of said county, commanding him that he make known to the defendant that it be and appear in said circuit court on the second rule day thereafter to show cause why the prayer of the petitioner shall not be granted, which writ shall be served in the same manner as writs of subpoena are served, except that a copy of said petition shall at the time of serving said writ, be by the officer serving the same given the person upon whom said writ is served. Any person or corporation other than the defendant railroad or railway company made a party defendant shall, if a resident of this State, be served with process in like manner, but if alleged to be a non-resident of the State, the clerk shall within two days of issuing the writ of subpoena mail a certified copy of said writ and petition to such defendant at his place of residence as named in the petition which mode of service shall be as effectual as though the defendant had been actually served within the State, and the clerk shall file a certificate of such constructive service of record in the cause. Any defendant not appearing and answering as prescribed by the rules for courts of equity in this State, shall be bound by the proceedings and default entered against them.

**4376.** (2823.) **Trial.**—If on presentation of the petition mentioned in preceding section to the judge of said court, upon five days' notice given to the defendant, no cause is shown to the contrary, he shall cause a jury of twelve men to be empaneled to try what damages or compensation shall be made to the defendant for the right to construct, maintain and operate the proposed telegraph or telephone line upon the right-of-way of the defendant railroad or railway company in the manner proposed in said petition, irrespective of any benefits, which issue shall be tried in the same manner as other issues of fact are tried in the courts of this State at common law. The jury shall not be required to view said right-of-way, but shall make their findings from the evidence before them. The judge of said court may in his discretion try any such cause at such time as he may deem practicable and may make all necessary orders for procuring a jury. If the jury cannot agree another jury may be empaneled forthwith. The form of verdict shall be: "We, the jury, find for the defendant, and assess its damages at..... dollars," which said verdict, judgment and decree thereon, shall be recorded in the chancery order book of said court.

**4377.** (2824.) **Court to Enter Judgment.**—The court shall upon the return of the verdict enter judgment thereon, unless good cause be shown against it, in which event, the court or judge may set it aside and order a new trial forthwith. The judgment and decree of the court shall authorize the petitioner to enter upon the right-of-way of the defendant railroad or railway company and construct its telegraph or telephone lines thereon upon the payment to the clerk of said court, subject to the order, and for the use of said defendant of the amount of damages assessed by said jury. Said judgment and decree shall provide that such telegraph or telephone line shall be constructed, as set out in the petition, and so as not to interfere with the operation of the trains of said defendant, or any telegraph or telephone line already upon such right-of-way, and furthermore, that, if at any time the railroad or railway company shall desire, for railroad purposes, the immediate use of any land occupied by said telegraph or telephone company, then the telegraph or telephone company shall upon reasonable notice in writing by such defendant, at its own expense remove its line

to some other place adjacent thereto on such right-of-way, so as not to interfere with the track or use of said railroad, or any telegraph or telephone line already on said right-of-way, and that the line of said telegraph or telephone company shall not be erected on any embankment or slope of any cut of such right-of-way; and if at any time, the said railroad or railway company shall require, for railroad purposes its entire right-of-way at any point occupied by petitioner, the said telegraph or telephone company shall, at such point, remove its line entirely off of such right-of-way.

**4378.** (2825.) **Parties Aggrieved May Appeal.**—Any party aggrieved by the final judgment and decree of the court may appeal therefrom as in chancery causes, but such appeal shall in no case operate as a supersedeas where the petitioner has paid the amount of the verdict of the jury into court, as aforesaid, so as to prevent, hinder or delay the petitioner in the construction and operation of its line.

**4379. (2826.) Judge May Grant Writ of Assistance.**—Whenever the judge shall be satisfied that any person or persons are preventing or obstructing the petitioner from entering upon, constructing and operating its line after it is entitled to do so, he may grant such writs of assistance as he may think necessary, or may proceed by attachment for contempt of court.

**4380.** (2827.) **Costs.**—All costs of proceedings shall be paid by the petitioner, except the costs of an appeal when taken by defendant, and on which the judgment and decree of the circuit court shall be affirmed.

**4381.** (2828.) **Acquire Easement Only.**—The telegraph or telephone company by such proceedings shall acquire only an easement in and to said railroad right-of-way, for the purpose of constructing, maintaining and operating its telegraph or telephone line thereon, and only the interest of such parties as are brought before the court shall be condemned in any such proceedings. If the easement or right-of-way claimed extends into or through more counties than one, the whole right and controversy may be heard and determined in one county into or through which such right-of-way extends.

## SPECIAL PROVISIONS FOR EXPRESS COMPANIES.

**4347. Payment of Claims; Notice of Claims; Damages; Proviso.**—That any person, firm or corporation doing an express business, or transporting express in this State shall, within ninety days after the filing with said person, firm or corporation by any shipper his claim for the loss of, or any damage to any shipment or a part of any shipment received from the said shipper by the said person, firm or corporation for transportation pay said claim to said claimant, and if said person, firm or corporation fails to pay said claim within the said ninety days from its filing, then they shall pay to said claimant the sum of twenty-five per cent per annum on the principal sum of said claim, and when the said claimant shall bring suit and recover for his claim against the said firm, person or corporation it shall be proper and he shall be allowed in said suit the said twenty-five per cent per annum in addition to the principal sum of said claim and have judgment therefor: Provided, however, that the claimant shall not recover and have judgment for the said twenty-five per cent per annum unless he recovers judgment for a sum based upon the principal of said claim which is greater than the amount which the said person, firm or corporation had offered and tendered to pay the claimant in settlement of the claim before the expiration of the ninety days in which the said person, firm or corporation is by this article required to pay said claim.

**4348. Construction of Act.**—That this article shall not be construed to be in conflict with the laws of this State regulating and making a legal rate of interest and defining, prohibiting and punishing usurious contracts.

**4349. Posting Schedule of Rates.**—That every express company doing business in this State shall have posted in a conspicuous place, easily accessible to the public, at every place where articles are received by such company for shipment by express, a schedule of rates plainly printed; and that all such articles shall be weighed on demand of and in the presence of the consignor or consignee, his servant or agent, on standard scales to be furnished by the express company, and that no charge greater than that specified in the posted schedule shall be made by such express company.

**4350. Rate Fixed for Transporting Certain Packages.**—That any express company doing business in the State of Florida shall transport and carry any package of merchandise not weighing over five pounds, of the value of not more than fifty dollars from point to point in this State not exceeding two hundred miles for the sum of twenty-five cents, and shall charge no more for the transportation of the same.

**5691. Failure of Express Companies to Post Rates; Charging Greater Than Posted.**—That any express company doing business in this State violating, failing or refusing to comply with the provisions of Section 4349 shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than twenty-five dollars. Every day of such violation, failure or refusal shall constitute a separate and distinct offense: Provided however, that if such violation be an excessive charge for transporting or carrying any article or thing, and within fifteen days after demand at the place where paid such excess over the proper charge be returned to the party paying the same, then the penalty or forfeiture above provided shall not be enforced.

## INCORPORATION AND BUSINESS OF DOMESTIC BUILDING AND LOAN ASSOCIATIONS.

**4207. Domestic Building and Loan Association Defined.**—That every association heretofore or hereafter incorporated under any law providing for the incorporation of building, loan fund and savings associations, and every association heretofore or hereafter incorporated under any law for the purpose of accumulating funds for the use and benefit of its members, and of assisting them to accumulate money and to invest their funds and savings by cash or periodical payments on its stock or otherwise, to be loaned among its members, shall be known in this act as a building and loan association. Such associations organized under the laws of this State shall be known as "domestic" associations, and those organized under the laws of any other State, territory or nation shall be known as "foreign" associations. Such "domestic" associations shall have power to carry out their purposes, and may be organized in part or wholly under

the general laws of Florida relating to corporations, except as otherwise provided in this Article.

**4208. Number of Incorporators; Requisite of Proposed Charter.**—Any number of persons, not less than nine, nor more than twenty-one, three-fourths of whom shall be residents of this State, may associate themselves together for the purpose of organizing a domestic building and loan association, and for that purpose they shall make, sign and acknowledge, before some person authorized by the laws of this State to take acknowledgments of deeds, articles of incorporation which shall state:

First. The corporate name adopted by said association, which shall not be the same as, nor similar to the name of any other association incorporated in this State, may be any name desired ending with "Association" or "Company," except that it shall contain one or more of the words "building," "loan," "savings," and shall not contain any of the words "bank," "banking" or "trust."

Second. The general nature of the business to be transacted, and its principal place of business.

Third. The amount of capital stock authorized, the number and par value of the shares into which it shall be divided, and in general, the terms and conditions on which it shall be paid in.

Fourth. The term for which it is to exist.

Fifth. By what officers it is to be conducted, the times at which they are to be elected, and the names of the officers who are to conduct the business until those elected at the first election shall be qualified.

Sixth. The highest amount of indebtedness or liability to which the corporation can at any time subject itself.

Seventh. The names and residence of the subscribers, the amount of stock subscribed by each, the total amount subscribed, which shall not be less than one hundred shares.

**4209. Notice of Intention to Apply for Letters Patent.**—When made and executed as aforesaid, said Articles of Incorporation, being the charter proposed for the association, together with notice of intention to apply to the

Governor for letters patent thereon, shall be published for four successive weeks, once each week, in a newspaper published in the county where the principal place of business is to be located, which notice shall be signed with the names of at least five of the subscribers, the proposed charter shall be on file in the Secretary of State's office during the four weeks' publications.

**4210. Letters Patent and Charter To Be Recorded; Exempt from Certain Provisions of Law; Charter Fee.**—Upon the issuing of the letters patent thereon, the association so chartered shall at once have its letters patent, together with a certified copy of its charter, recorded in the office of the Clerk of the Circuit Court of the county wherein its principal place of business is to be located. By reason of their various kinds of stocks, methods of payment of subscriptions in small long-time installments, and other peculiarities of their beneficiary and co-operation organization and operations, domestic building and loan associations are exempted from the provisions of Section 4054; and upon the payment to the Secretary of State of the fees hereinafter named, and upon the recording of such certified copy and charter as aforesaid, the persons named in the articles of incorporation, their associates and successors, shall be and become a body corporate, and in their corporate name, may contract, sue and be sued, and shall have and exercise such powers as are herein granted, and such others as are necessary and proper to enable such associations to carry out the purposes of their organization, not inconsistent with the provisions of law, and may enter upon the transaction of all their business as such corporations. The Secretary of State shall collect for the benefit of the State, in lieu of all other charter fees, for filing the articles of incorporation of any such association, or any certificate of increase of stock, the sum of five dollars for each fifty thousand dollars of capital stock or fractional part thereof. And any such association may amend its articles of incorporation as provided by law.

**4211. Management.**—The business of the association shall be managed by a board of directors of not less than nine members, who shall be stockholders, and a majority of them residents of the county wherein is located its principal place of business, and shall be elected by the

stockholders. Notice of such election shall be given at least ten days previous thereto, by publication in some newspaper of general circulation published in the town or city where such association is located, or if no such newspaper is published, then in some newspaper within the county, or the one nearest to said location. Directors shall be elected for terms not exceeding three years, and in case the term is longer than one year, then an equal number, as near as may be, shall be elected each year after the first election. Such association shall adopt by-laws for the regulation and management of its business, which shall include provisions for periodical meetings of the stockholders and directors, the number, functions and qualifications of the officers of any such association, their terms of office and time and mode of their election, and of the election of directors, the manner of voting and qualifications of the electors, the number of shares to be voted by each member in person or by proxy, the kind of stock to be issued, the terms and conditions on which stock shall be issued and paid for, loans made and repaid, withdrawals allowed, and the manner of conducting the business of such association, all which shall be determined by the by-laws, subject to its charter and the laws of the State: Provided, That at any stockholders' meeting, no stockholder shall vote more than twenty-five shares of stock in his own right.

**4212. Certain Officers to Give Bond.**—The secretary and treasurer and any other officer or agent having custody or charge of money or securities belonging to the association, before entering upon their duties, shall give bonds in suitable amounts with good and sufficient sureties, or bonds issued by a good solvent surety company, to be approved by the board of directors; said board shall annually examine all such bonds and pass on the sufficiency of the same, and may require new or additional bonds at any time, and no officer or director shall become a surety on any such bond.

**4213. Officers to Continue in Office Until Successor Is Qualified.**—No building and loan association shall cease or expire from neglect on the part of the corporation to elect directors or officers at the time mentioned in the by-law, and all directors and officers elected by such corporation shall continue in office until their successors are duly elected and qualified.

**4214. Capital Stock; Increase and Decrease Shares; Payment.**—The capital stock of any such association may be fixed originally in any sum, and may be increased or decreased to any sum, by the adoption of a resolution for such increase or decrease by the board of directors. Upon a certified copy of such resolution, under the hand of the president and secretary, attested by the corporate seal, being filed in the office of the Secretary of State, and a copy thereof duly certified by the Secretary of State, being filed in the office of the Clerk of the Circuit Court of the county wherein the principal place of business of such association is located, and the payment of the fees required by this Article for such increase or decrease, the authority to issue or to decrease the stock as this increase or decrease shall be deemed complete. The capital stock shall be divided into shares, of such denomination, not exceeding five hundred dollars each, as the by-laws shall prescribe, and may be issued in series, if the by-laws so provide or otherwise, and may be fully or partially paid in advance, or may be paid in installments, either or both, as the by-laws may provide. No periodical payment of installments of stock shall be required exceeding fifty cents per week on each one hundred dollars of stock. Every share of stock shall be subject to a lien for the payment of unpaid installments and other charges incurred therein under the constitution and by-laws, and the by-laws shall prescribe the manner of enforcing such lien. New shares may be issued in lieu of any shares withdrawn, redeemed or cancelled.

**4215. Loans to Members.**—Such association may provide in its by-laws for loans to its members who shall bid the highest premiums for priority in loans, or a given premium may be agreed upon in writing with the borrower, without bidding, in addition to interest, which premium may be payable at one time or part in installments and part in advance, or as shall be provided for in the by-laws.

**4216. Membership; Transfers; Delinquents.**—The by-laws may also provide for membership and transfer fees of not over twenty-five cents per share, and for fines or interest for non-payment of dues, premiums or interest, which shall not exceed five cents per share for each weekly delinquency, or ten cents per share for each

monthly delinquency. It shall, however, be unlawful for and such association doing business in this State, to charge or collect from any of its members, on any stocks or shares of stock therein, any money or moneys other than membership, transfer and loan fees, dues on stock, premiums, interest and fines. All such fees, fines, premiums and interest shall be provided for in the by-laws, and shall be credited to earnings, out of which expenses and dividends shall be paid, and no such charges or payments shall be deemed usurious, even if in some cases exceeding the legal rate of interest, and the same may be collected by law as other debts of like amount are now collected in this State, or as provided by the by-laws.

**4217. Investing Stockholders May Withdraw; Notice; Powers.**—Any investing stockholder, or the legal representative of any deceased investing stockholder, whose stock is unpledged for a loan, wishing to withdraw from such association, may do so upon giving sixty days' notice in writing to the board of directors (unless his stock certificate provides for a definite time), when such withdrawing stockholder shall be entitled to receive the full amount of dues paid in upon the stock so to be withdrawn, together with all declared unpaid dividends thereon, less all fines and other shares including a pro rata share of the losses, if any, sustained during such stockholder's term of payment if the by-laws so provide: Provided, That not more than one half of the funds received by the association in any one month shall be applicable to the payment of withdrawing stockholders, unless otherwise ordered by the board of directors; and when the demands of withdrawing stockholders exceed the funds applicable to their payment, they shall be paid in the order in which their notice of withdrawal were filed with the association. The board may in its discretion waive the notice of withdrawal herein before required. No fine shall be charged to any deceased member's account for any default occurring after his death unless the legal representative of the decedent shall have assumed the future payments on the stock.

**4218. Loans.**—Such association shall have power to loan or advance to the stockholders thereof, moneys of the association and to secure payment of such moneys and the performance of all other conditions upon which the loans are made by pledge of shares in said association,

and by note, or bond and mortgage on real estate in the county wherein its principal place of business is located, which shall be a first lien thereon, except taxes and special assessments, and except the prior liens held and owned by said association; to loan the funds of the association upon the pledge of the shares only of such association, not to exceed ninety per centum of the withdrawal value of such shares. In case there is no sufficient demand for loans on the part of stockholders on real estate mortgages or the stock of the association, such association shall have the power to purchase mortgages upon real estate whenever the loan does not exceed sixty per cent of the fair value of the property mortgaged, and also to invest in the obligations of the United States, State of Florida, any county or municipality of the State of Florida, as the case may be, either by outright purchase of these securities or it may loan with these securities as collateral upon individual promissory notes, maturing in not exceeding ninety days. Provided, however, that investments in securities other than real estate and its own stock shall be made only when the idle funds of the association exceed five thousand dollars. The by-laws of the association shall prescribe the manner of awarding loans, the rate of interest and premiums to be charged, not exceeding the then legal contract rate, and the time and manner when the interest and the premium, if any, shall be paid.

**4219. Borrower May Repay His Loan and Withdraw; Regulation.**—Any borrower may repay his loan at any time, and may at the same time withdraw from the association, and for that purpose he shall pay to the association the full face amount of the principal of his loan, with all interest, fines and other charges accrued thereon under the by-laws or the terms of any note, bond, mortgage or other evidence of indebtedness given for said loan, deducting therefrom the withdrawal value of his stock pledged to secure such loan, as provided in the case of withdrawals of unpledged stock, and deducting also, in case the full amount of premium was paid in advance, so much of the premium paid by him on his loan as shall bear the same proportion to the whole premium by him paid, as the unexpired term for which the loan was made bears to the whole time for which the loan was made; and on such payment being made, the stock held by such

person upon which his loan was made, shall be surrendered to the association and cancelled, and thereupon the association shall deliver to such borrower his note, or bond and mortgage, or other evidence of loan, and shall execute and deliver to him a full satisfaction of such mortgage.

**4220. May Own and Sell Real Sstate.**—Any such association may purchase at any sale, public or private, any real estate upon which it may have or hold a mortgage, lien or other incumbrance, or in which it has an interest; it may also acquire and own real estate for the purpose of occupying the same with its own business building, and it may also acquire and own real estate in fee simple, and improve the same, for the purpose of selling the same to its stockholders on contracts of sale with them, and the real estate so purchased and any other real estate that such association may hold or be entitled to when this Act takes effect, it may sell, convey, exchange, lease or mortgage at pleasure, to any person or persons whomsoever. No such association shall acquire or hold any real estate except as herein provided.

**4221. Power to Borrow Money.**—Any such association shall have power to borrow money for any of its corporate purposes and issue its evidences of indebtedness therefor, to an amount not exceeding twenty-five per cent of its gross assets.

**4222. Minors and Married Women May Become Stockholders; Husband to Join Wife in Executing Mortgage.**—Minors and married women may become stockholders in any such association the same as others, and as such stockholders shall be subject to the same duties and liabilities as respects their stocks as other members. Any receipt, release, acquittance, or discharge given to the association by such stockholders shall be binding upon them to the same extent as upon other stockholders. Married women may procure loans upon the security of their separate real estate by uniting with their husbands in executing mortgages thereon to secure their loans.

**4223. May Issue School or Juvenile Saving Shares.**—Any such association may issue School or Juvenile Savings Shares to, or in the name of any pupil minor, which shall be held for the exclusive right and benefit of such

minor, and free from the control or lien of all other persons; and the accumulated savings on these shares, together with the dividends accredited thereon, shall be paid to the person in whose name the shares were issued, and the receipt or acquittance of such minor shall be valid and sufficient release and discharge to the association for such accumulated savings, together with the dividends accredited thereon, or any part thereof. School or Juvenile Savings Shares shall not be chargeable with fines or losses of any kind, nor be required to make regular or specific payments, nor shall they entitle the owner to vote at any meetings of shareholders on constitution or by-laws. Such shares may be credited with dividends from the apportioned profits at a rate not less than sixty per centum nor exceeding ninety per centum of the dividend credited on savings installment shares as provided in the by-laws. The matured value of all the School or Juvenile Savings Shares issued by an association shall not exceed in the aggregate, at the time of issue, twenty-five per centum of the aggregate matured value of the shares in force in all other classes.

**4224. If Borrower Defaults Whole Indebtedness Becomes Due.**—In case any borrower shall fail or neglect to pay dues on stock, interest, premium or fines as provided by the by-laws or the terms of his note, bond or mortgage or other evidence of indebtedness, for the period of three months, or shall be in default in the performance of any of the obligations imposed upon him thereby, and such default shall continue three months, then the whole of said indebtedness shall become and be immediately due and payable at the option of such association, and payment thereof may be enforced by proceedings on his securities according to law.

**4225. Bonds, Notes and Mortgages Given by Members and Secured by Pledge of Stock; How Assignable.**—The bonds, notes and mortgages given by members thereof, belonging to any such association, and secured by pledge of the stock thereof, shall not be assignable except upon an order of the Circuit Court, or the Judge thereof in vacation, of the county in which the principal office of said association is situated.

**4226. Association to Set Aside Contingent Fund.**—Such associations shall set aside from their gross profits

at least two per cent. thereof each year after the second as a contingent fund, out of which all losses shall be paid, until the total amount of such fund shall equal five per cent. of the assets of such association, which shall in no case exceed ten per cent. of such assets, and may be loaned on good security: Provided, that no association shall be required to reduce its dividends below six per cent. per annum for that purpose.

**4227. Dividends.**—Dividends shall be declared, credited or paid on the stock, in proportion to the amount paid in thereon semi-annually or annually, or as the by-laws may provide, but no dividends shall be declared, credited or paid after the second year by any such association except out of net profits, after deducting from the earnings all expenses of operation, and including losses sustained, after exhaustion of all accumulated surplus.

**4228. Association to Keep Books of Accounts; Statement to Stockholders.**—Every such association shall keep full and correct books of account showing its operations, from which its secretary shall prepare a semi-annual statement, showing the financial condition of the association on the last day of June and December in each year or semi-annually at such other time as the by-laws shall provide, which statement shall show separately the amounts received and paid out during each six months' period, on the different classes of stocks and loans, expenses, dividends, cash on hand, and such other items as may seem pertinent, which shall include a statement of the assets and liabilities of the association on the above named dates. Such statements shall be prepared within thirty days after said dates, and thereafter a copy thereof, printed or written, shall be furnished to every stockholder applying therefor at the office of the association.

**4229. Comptroller Given Supervision Over Domestic Associations.**—The Comptroller of the State of Florida shall hereafter have supervision of domestic building and loan associations, whether heretofore or hereafter organized, similar to that exercised over State banks, including the power to cause the same to be examined once a year, and to call for reports annually or oftener if deemed necessary, showing its financial condition, assets and liabilities, and assets and liabilities for the last business

year, and such other information concerning the business of such associations as he may deem advisable.

**4230. Copy of By-Laws To Be Filed With Comptroller.**—Such associations shall file with the State Comptroller a copy of their rules and by-laws, and a copy of each of the several kinds of certificates issued to their stockholders and other investors and of any amendments or changes therein.

**4231. Examiners Report To Be Filed With Comptroller.**—The examiner of such associations whose duty it shall be to report his findings upon such examination shall file his report on each association in the office of the State Comptroller, and said Comptroller shall within ten days thereafter furnish a copy of such report to the association examined.

**4232. Examination Fees.**—Inasmuch as the authorized capital stock of such associations is seldom or never fully issued, and as what is taken by the members is paid in in small installments through a term of years, the fees for the examination of domestic building and loan associations shall be based on its assets, and shall be as follows: For examining building and loan associations having assets of less than $25,000, a fee of $5 shall be charged; for examining associations having assets of over $25,000 and less than $50,000, a fee of $7.50 shall be charged; for examining associations having over $50,000 assets and not over $100,000, a fee of $10 shall be charged. For each additional $100,000 of assets or fractional part thereof, a fee of $5 shall be charged. Which amount shall be assessed by the State Comptroller upon and paid by the respective associations so examined immediately upon the completion of the examination, to said State Comptroller, but no association shall be required to pay for more than one examination each year.

**4233. Rights Acquired and Acts Performed Under Former Provision of Law Not Affected.**—That all rights acquired and all acts performed in pursuance of the provisions of any act repealed by this Article shall not be affected by such repeal.

## FOREIGN BUILDING AND LOAN ASSOCIATIONS.

**4234.** 2747.) **To Deposit Mortgages and Securities.**—No building and loan association organized under the laws of any other State, Territory or foreign government shall do business in this State unless said association shall deposit, and continually thereafter keep deposited in trust for all its members and creditors, with some responsible trust company, or with the State Treasurer of this State, or some State officer of some other State of the United States, mortgages (or other securities) received by it in the usual course of its business, amounting to not less than twenty-five thousand dollars ($25,000).

**4235.** (2748.) **Dividends.**—All dividends and interest which may accrue on securities held in trust as aforesaid by the trust company or the State officer, as provided in this article, and all dues or monthly payments which may become payable on stock pledged as security for loans, the mortgages for which are on deposit in accordance with the provisions of this article, may be collected and retained by the association depositing such securities or mortgages. Any securities on deposit as provided herein, may from time to time be withdrawn, if others of equal value are substituted therefor.

**4236. (2749.) Must Pay Fee to State Treasurer and File Copies of Charter, Etc.**—Every building and loan association organized under the laws of any other State, Territory or foreign government, shall, before commencing to do business in this State, pay the Treasurer of this State twenty-five dollars ($25.00) as fees for filing the papers mentioned in this section and file with the Treasurer of this State:

1. A duly authenticated copy of its charter or articles of incorporation.

2. The certificate of the proper officer of some State, or the president and treasurer or secretary of some responsible trust company, certifying that it has on deposit securities not less than twenty-five thousand dollars ($25,000) taken in the regular course of business, as mentioned in this article, in trust for all the members and creditors of such building and loan association.

3. A duly authenticated copy of a resolution adopted by the board of directors of such association, stipulating and agreeing that, if any legal process affecting such association be served on the Treasurer of this State and a copy thereof be mailed, postage prepaid, by the party procuring the issuing of the same, or his attorney, to said association, addressed to its home office, then such service on said State Treasurer and mailing of such process shall have the same effect as personal service on said association.

**4237.** (2750.) **Manner of Service on Such Association.**—When process against or affecting any foreign building or loan association is served on the State Treasurer, the same shall be by duplicate copies, one of which shall be filed in the office of the said State Treasurer, and the other by him immediately mailed, postage prepaid, to the home office of said association. The word "process" in this article shall include any writ, summons, petition or order whereby an action, suit or other proceeding shall be commenced, or which shall be issued in or upon any action, suit or proceeding at law or in equity authorized by law in this State.

**4238.** (2751.) **What the Name Includes.**—The name "building and loan association," as used in this article, shall include all corporations, societies, organizations or associations doing a saving and loan investment business on the building society plan, viz.: Loaning its funds to its members only, whether issuing certificates of stock which mature at a fixed time or not.

**4239.** (2752.) **Deposit with Treasurer of State.**—Within four months from the close of its fiscal year, every building and loan association doing business in this State governed by this article, shall, each year, deposit with the Treasurer of this State a report of its affairs and operations for the fiscal year immediately preceding; such report shall be verified under oath by the president and secretary or by three directors of the association, and shall contain answers to the following questions:

1. The date when association was incorporated, and the par value of each share of stock.

2. The number of shares sold during the year.

3. The number of shares cancelled and withdrawn during the year.

4. The number of shares in force at the end of the year.

5. A statement of the receipts and disbursements of the loan fund during the year.

6. A statement of the assets and liabilities at the end of the year.

Each association shall pay to the Treasurer of this State twenty-five dollars ($25.00) on filing such report.

**4240.** (2753.) **Failure to Report.**—If any such association shall wilfully fail to furnish to the Treasurer of this State any report required by this article at the time so required, it shall, in the discretion of the State Treasurer, forfeit the sum of twenty-five dollars ($25.00) per day for every day such report shall be delayed or withheld, and the Treasurer of the State may maintain an action to recover such penalty, and the same shall be paid into the treasury of the State for the benefit of the State.

**4241.** (2754.) **Fees.**—Every association depositing securities with the Treasurer of this State, as provided for in this article, shall annually pay to said Treasurer of State a fee of twenty-five ($25.00) dollars.

**4242.** (2755.) **When Not Usurious.**—No fines, interest or premiums paid on loans made by any building and loan association shall be deemed usurious, and the same may be collected, as debts of like amount are now collected by law in this State, and according to the terms and stipulations of the agreement between the association and the borrower.

## FOREIGN CORPORATION.

**4095. Required to File Charter and Receive Permit To Transact Business.**—That no foreign corporation shall transact business, or acquire, hold or dispose of property in this State until it shall have filed in the office of the Secretary of State a duly authenticated copy of its charter or articles of incorporation, and shall have received from him a permit to transact business in this State; and any foreign corporation which shall violate the provisions of this section shall render itself, its officers and agents severally liable to the penalties and fines provided in Section 5321, but no violation of this Act shall affect the title

to property thus acquired, held or disposed of in violation of the provisions hereof.

**4096. Issuing Permit to Transact Business in State.**—Upon the filing of such copy, the Secretary of State shall, if the objects of the corporation are such as are not prohibited by the laws of this State, issue a permit allowing such corporation to transact business in this State, but he shall not deliver such permit to the corporation until he shall have received from it for the use of the State a sum equal to that which the said corporation would have been required to pay as a charter fee if it had been incorporated under the laws of this State. The fee of the Secretary of State for issuing the permit shall be five dollars.

**4097. Charter Amendments After Permit Issued; Copy To Be Filed With Secretary of State; Penalty; Fees.**—If the charter or articles of incorporation of any foreign corporation shall be amended after a permit has been issued to it under the provisions of this act, such corporation shall, within thirty days thereafter, file a duly authenticated copy of the amendment in the office of the Secretary of State, who shall issue to the corporation a certificate of the filing; but if the amendment is one increasing the capital stock, he shall not deliver the certificate until he shall have received from the corporation for the use of the State a sum equal to that which such corporation would have been required to pay if it had been a corporation increasing its capital stock under the laws of this State. If any such corporation shall fail to file any amendment and to make the payment aforesaid within the said thirty days, its permit shall be deemed to be revoked until the provisions of this section shall be complied with. The fee of the Secretary of State for granting the certificate shall be two dollars.

**4098. Can Not Maintain Action Until Provisions Complied With.**—That the failure of any such foreign corporation to comply with the provisions of this Article shall not affect the validity of any contract with such foreign corporation, but no action shall be maintained or recovery had in any of the courts of this State by any such corporation, or its successors or assigns, so long as such foreign corporation fails to comply with the provisions of this Article.

**4099. Corporations Affected by Act.**—This Article shall be deemed to apply to foreign building and loan associations, foreign insurance companies, foreign surety companies, and all other foreign corporations which now are or hereafter may be required to obtain other certificates of authority to transact business in this State, and to impose an additional requirement upon them, as well as to all other foreign corporations except those which are excepted by its terms from the operation of this Article.

**4100. Corporations Not Affected; Proviso.**—This act shall not apply to any foreign corporation whatever transacting business in this State at the time this act shall take effect; Provided, That any such foreign corporation hereafter increasing its capital stock shall comply with the provisions of Section 4097 in relation thereto.

**4101. Foreign Corporation Defined.**—A foreign corporation is defined to be a corporation incorporated by or under the laws of any other State or Territory or of any other country, but nothing in this Act shall apply to or include banking or trust companies incorporated under the laws of any other State, Territory or other country.

**4102. Permit Not To Be Issued When Name of Corporation Similar to Florida Corporation.**—That no permit under this Article shall be issued to any foreign corporation to transact business or acquire, hold or dispose of property in this State under any corporate name which is or may be the same as the corporate name of any corporation organized or existing under the laws of the State of Florida, or so nearly similar thereto as to cause or tend to cause confusion.

# INDEX

# INDEX

A


Page

Agricultural and Horticultural Non-Profit Co-operative Associations, how formed ..... 25
Amending charter of corporation ..... 11
Affidavit of treasurer must be filed before corporation can do business ..... 5


B


BANKS (*Under Control of Comptroller*).

BUILDING AND LOAN ASSOCIATIONS
Domestic ..... 58
Foreign ..... 69


C


CAPITAL STOCK
Par value and payment of ..... 6
Directors to make call for payment of ..... 6
Increase and reduction of ..... 11

CANAL COMPANIES
Special provisions relating to ..... 43
Affidavit of good faith must be filed ..... 43
May condemn land for terminal facilities ..... 46
Tolls regulated by Railroad Commission ..... 51

CHARTER
Must be recorded in office of Clerk of the Circuit Court ... 5
Change of name ..... 12
Corporations may sue members ..... 19
Change of name ..... 12
Corporate existence of corporations continued for purposes of settlement of its business ..... 13
Co-operative associations ..... 20
Corporations not for profit ..... 21
Clubs, social, how incorporated ..... 24
Corporation may sue members ..... 19

D

DIRECTORS Page
Meetings of ..... 9
How meetings may be called..... 10
Dissolution of corporations, how obtained..... 13
Dissolutions, voluntary and involuntary..... 13
Division of funds ..... 13

E

Express companies, special provisions for..... 57
Eminent domain ..... 17
Executions against stockholders may issue..... 12
Executions against corporations ..... 15
Executions by appointment of receiver ..... 15
Electric railways, right of way..... 18
Estoppel ..... 19

F

Fees for charter tax and recording..... 4
Foreign corporations ..... 71

G

General provisions ..... 1

I

Incorporators, number necessary..... 3
Increase and reduction of capital stock..... 11
Inherent powers of corporations ..... 1

INSURANCE COMPANIES
(Under control State Treasurer).

L

LETTERS PATENT
Intention to apply for must be published..... 4
Issue and delivery of..... 4
Must be recorded ..... 5
Copy of to be evidence..... 5

M

Money, right to borrow ..... 2
Meetings, how held when not legally called..... 9
Miscellaneous provisions ..... 14

N


| | Page |
|---|---|
| Non-Profit Corporations | 21 |
| Non-Profit Agricultural and Horticultural Associations | 25 |
| Non-Profit Corporations may own stock in other corporations | 29 |


O


OFFICERS

| | |
|---|---|
| Choice of, term, vacancies, election of, etc. | 8 |
| Corporation not dissolved by failure to elect officers | 1 |


P


| | |
|---|---|
| Proxies of stockholders, how voted | 10 |
| Public Fairs and Expositions | 38 |


Q


| | |
|---|---|
| Quorum of stockholders | 10 |


R


RECORDS

| | |
|---|---|
| Must be open to inspection | 10 |
| Custodian must furnish information to sheriffs | 13 |
| Reduction and increase of capital stock | 11 |
| Requisites of charter | 3 |

RAILROADS

| | |
|---|---|
| Special provisions relating to | 43 |
| Rolling stock to be fixtures | 47 |
| Right-of-way through State lands | 47 |
| Right-of-way through lands of persons not Siu Juris | 48 |
| Crossing highways | 48 |
| Change of route | 49 |
| Extension of | 49 |
| Consolidation, lease, purchase, etc. | 49 |
| Incorporated in other States may construct or own line in this State | 51 |
| Must file affidavit of good faith | 43 |
| Receiver, executions by appointment of | 15 |